



APRAMEYA ENGINEERING LIMITED  
CIN: U51909GJ2021PLC128294

**DRAFT RED HERRING PROSPECTUS**  
Dated: September 07, 2022  
Please read Section 32 of the Companies Act, 2013  
(This Draft Red Herring Prospectus will be updated upon filing with the RoC)  
100% Book Built Issue

| REGISTERED OFFICE  |   | CONTACT PERSON  |   | EMAIL ID AND TELEPHONE   | WEBSITE           |
|--|---|---|---|--|-------------------|
| 908, 9th Floor, Venus Atlantis Corporate Park, Anandnagar, Prahladnagar, Ahmedabad, Gujarat-380015 India.  |   | Vijay Kishorbhai Jotani, Company Secretary and Compliance Officer |   | cs@aelhealth.com and 079-40068827  | www.aelhealth.com |
| <b>OUR PROMOTERS: SAURABH KISHORBHAI BHATT AND CHETAN MOHAN JOSHI</b>  |   |   |   |  |                   |
| <b>DETAILS OF ISSUE</b>  |   |   |   |  |                   |
| TYPE   | FRESH ISSUE SIZE  | OFFER FOR SALE  | TOTAL ISSUE SIZE  | ELIGIBILITY AND SHARE RESERVATION AMONG QIBs, NIIs AND RIIs  |                   |
| Fresh Issue  | Fresh Issue of up to 50,00,000 equity shares of face value of ₹ 10 each (“Equity Shares”) aggregating up to ₹ [●] lakhs (“Issue”) | Not applicable  | Initial public offer of up to 50,00,000 Equity Shares aggregating up to ₹ [●] lakhs                                     | The Issue is being made in terms of Rule 19(2)(b) of the Securities Contracts(Regulation) Rules, 1957, as amended (“SCRR”) read with Regulation 31 of the SEBI ICDR Regulations. The Issue is being made through the Book Building Process in accordance with Regulation 6(2) of the SEBI ICDR Regulations. For details in relation to share reservation among QIBs, NIIs and RIIs, see “Issue Structure” on page 263. |                   |
| <b>DETAILS OF THE OFFER FOR SALE</b>   |   |   |   |  |                   |
| NAME OF SELLING SHAREHOLDER  | TYPE  | NUMBER OF SHARES OFFERED  | WEIGHTED AVERAGE COST OF ACQUISITION ON FULLY DILUTED BASIS (in ₹)  |  |                   |
| Not applicable   |   |   |   |  |                   |
| <b>RISKS IN RELATION TO THE FIRST ISSUE</b>  |   |   |   |  |                   |
| This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 10 each. The Issue Price, Floor Price and Price Band (determined by our Company in consultation with the BRLM and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under “Basis for Issue Price” on page 79, should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares of our company, or regarding the price at which the Equity Shares will be traded after listing. |   |   |   |  |                   |
| <b>GENERAL RISKS</b>   |   |   |   |  |                   |
| Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the 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 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 in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to “Risk Factors” on page 27. |   |   |   |  |                   |
| <b>ISSUER’S ABSOLUTE RESPONSIBILITY</b>  |   |   |   |  |                   |
| Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.   |   |   |   |  |                   |
| <b>LISTING</b>   |   |   |   |  |                   |
| The Equity Shares issued through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges being BSE Limited and National Stock Exchange of India Limited. For the purposes of the Issue, [●] is the Designated Stock Exchange.  |   |   |   |  |                   |
| <b>BOOK RUNNING LEAD MANAGER (“BRLM”)</b>  |   |   |   |  |                   |
| Name of the BRLM and Logo  |   | Contact Person  | Email and Telephone   |  |                   |
| Hem Securities Limited   |   | Sourabh Garg  | E-mail: <a href="mailto:ib@hemsecurities.com">ib@hemsecurities.com</a><br>Telephone: +91 22 4906 0000                   |  |                   |
| <b>REGISTRAR TO THE ISSUE</b>  |   |   |   |  |                   |
| Name of the Registrar  |   | Contact Person  | Email and Telephone   |  |                   |
| LINK INTIME INDIA PRIVATE LIMITED  |   | Ms. Shanti Gopalkrishnan  | E-mail: <a href="mailto:aprameya.ipo@linkintime.co.in">aprameya.ipo@linkintime.co.in</a><br>Telephone: +91 22 6263 8200 |  |                   |
| <b>BID ISSUE PROGRAMME</b>   |   |   |   |  |                   |
| BID/ ISSUE OPENS ON  | [●]*  | BID/ ISSUE CLOSES ON  | [●]**   |  |                   |

\*Our Company may, in consultation with the BRLM, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Issue Opening Date, i.e. [●]

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



APRAMEYA ENGINEERING LIMITED  
CIN: U51909GJ2021PLC128294

**DRAFT RED HERRING PROSPECTUS**  
Dated: September 07, 2022  
Please read Section 32 of the Companies Act, 2013  
(This Draft Red Herring Prospectus will be updated  
upon filing with the RoC)  
100% Book Built Issue

Our Company was originally formed as a partnership firm in the name and style of "M/s. Aprameya Engineering" pursuant to a deed of partnership dated September 05, 2003, registered as on August 13, 2004 vide Registration certificate issued by Registrar of Firms, Ahmedabad City, Ahmedabad having Registered No. GUJ/AMS/36352 under the provisions of the Indian Partnership Act, 1932. Subsequently, our Company was incorporated pursuant to a certificate of incorporation dated December 28, 2021 issued by the Registrar of Companies, Central Registration Centre following the conversion of the partnership firm "M/s. Aprameya Engineering" to a Private Limited Company. Further, pursuant to special resolution passed by the shareholders of the Company at the Extra Ordinary General Meeting, held on April 22, 2022, our Company was converted into a Public Limited Company and consequently the name of our Company was changed from "Aprameya Engineering Private Limited" to "Aprameya Engineering Limited" vide a fresh certificate of incorporation consequent upon conversion dated May 12, 2022, issued by the Registrar of Companies, Ahmedabad, Gujarat bearing CIN: U51909GJ2021PLC128294. For further details on the change in the name and the registered office, see "History and Corporate Structure" beginning on page 126.

**Registered Office:** 908, 9th Floor, Venus Atlantis Corporate Park, Anandnagar, Prahladnagar, Ahmedabad, Gujarat-380015 India..

**Contact Person:** Vijay Kishorbhai Jotani, Company Secretary and Compliance Officer;

**Tel:** +91-079-40068827, **Website:** www.aelhealth.com; **E-mail:** cs@aelhealth.com

**OUR PROMOTERS: SAURABH KISHORBHAI BHATT AND CHETAN MOHAN JOSHI**

**INITIAL PUBLIC OFFERING OF UP TO 50,00,000 EQUITY SHARES OF FACE VALUE ₹ 10 EACH ("EQUITY SHARES") OF APRAMEYA ENGINEERING LIMITED ("OUR COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SECURITIES PREMIUM OF ₹ [●] PER EQUITY SHARE) ("ISSUE PRICE"), AGGREGATING UP TO ₹ [●] LAKHS (THE "ISSUE"). THE ISSUE WILL CONSTITUTE [●]% OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. THE FACE VALUE OF EQUITY SHARES IS ₹ 10 EACH. AND THE ISSUE PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE ISSUE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER ("BRLM") AND WILL BE ADVERTISED IN ALL EDITIONS OF THE ENGLISH NATIONAL NEWSPAPER [●], ALL EDITIONS OF HINDI NATIONAL NEWSPAPER [●] AND AHMEDABAD EDITION OF REGIONAL NEWSPAPER [●] WHERE REGISTERED OFFICE IS SITUATED AT LEAST TWO WORKING DAYS PRIOR TO THE BID / ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE BSE LIMITED ("BSE") AND THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE"), AND TOGETHER WITH BSE, THE "STOCK EXCHANGES" FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITES IN ACCORDANCE WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS").**

In case of any revision in the Price Band, the Bid/Issue Period will be extended by at least 3 additional Working Days after such revision in the Price Band, subject to the Bid/Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid/Issue Period for a minimum of 3 Working Days, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the websites of the Book Running Lead Manager and at the terminals of the Syndicate Members and by intimation to Designated Intermediaries and the Sponsor Bank, as applicable.

This Issue is being made through the Book Building Process, in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the SEBI ICDR Regulations and in compliance with Regulation 6(2) of the SEBI ICDR Regulations wherein not less than 75% of the Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"), provided that our Company in consultation with the BRLM may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis ("Anchor Investor Portion"). One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (excluding the Anchor Investor Portion) ("Net QIB Portion"). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. If at least 75% of the Issue cannot be Allotted to QIBs, then the entire application money will be refunded forthwith. Further, not more than 15% of the Offer shall be available for allocation to Non-Institutional Investors ("NIIs") (the "Non-Institutional Portion") of which one-third of the Non-Institutional Portion shall be reserved for applicants with an application size of more than ₹2 lakhs and up to ₹ 10 lakhs and two-thirds of the Non-Institutional Portion shall be reserved for applicants with an application size of more than ₹ 10 lakhs and under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to applicants in the other sub-category of Non-Institutional Portion in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. Further, not more than 10% of the Issue shall be available for allocation to retail individual investors ("RIIs") in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. All Bidders, other than Anchor Investors, are required to participate in the Issue by mandatorily utilising the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA Account (as defined hereinafter), and UPI ID in case of UPI Bidders, if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see "Issue Procedure" on page 267.

**RISKS IN RELATION TO THE FIRST ISSUE**

This being the first public issue of Equity Shares by our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 10 each. The Issue Price, Floor Price and Price Band (determined by our Company in consultation with the BRLM and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under "Basis for Issue Price" on page 79, should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor 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 the 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 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 in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" beginning on page 27.

**ISSUER'S ABSOLUTE RESPONSIBILITY**

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

**LISTING**

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively. For the purposes of the Issue, the Designated Stock Exchange shall be [●]. A copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus until the Bid/Issue Closing Date, see "Material Contracts and Documents for Inspection" beginning on page 315.

**BOOK RUNNING LEAD MANAGER**

**REGISTRAR TO THE ISSUE**

|   |   |
|---|---|
| <b>Hem Securities</b>   |   |
| <b>Hem Securities Limited</b><br>904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai 400 013 Maharashtra, India<br><b>Telephone:</b> +91 22 4906 0000; <b>E-mail:</b> <a href="mailto:ib@hemsecurities.com">ib@hemsecurities.com</a><br><b>Website:</b> <a href="http://www.hemsecurities.com">www.hemsecurities.com</a><br><b>Contact Person:</b> Sourabh Garg<br><b>SEBI Registration Number:</b> INM000010981 | <b>Link Intime India Private Limited</b><br>Address: - C-101, 1 Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai, Maharashtra, India 400083<br>Tel No.: +91-022-49186200; Fax No.: +91-022-49186060<br>Email: <a href="mailto:aprameya.ipo@linkintime.co.in">aprameya.ipo@linkintime.co.in</a> ; Investor Grievance Email: <a href="mailto:aprameya.ipo@linkintime.co.in">aprameya.ipo@linkintime.co.in</a><br>Contact Person: Shanti Gopalkrishnan<br>SEBI Regn. No. INR000004058 |

**BID/ISSUE PROGRAMME**

|                              |       |
|------------------------------|-------|
| <b>BID / ISSUE OPENS ON</b>  | [●]*  |
| <b>BID / ISSUE CLOSES ON</b> | [●]** |

\*Our Company may, in consultation with the BRLM, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Issue Opening Date, i.e. [●].

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

## TABLE OF CONTENTS

| SECTION      | CONTENTS  | PAGE NO. |
|--------------|---|----------|
| <b>I.</b>    | <b>GENERAL</b>  |          |
|              | DEFINITIONS AND ABBREVIATIONS   | 1        |
|              | CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION | 17       |
|              | FORWARD-LOOKING STATEMENTS  | 19       |
|              | SUMMARY OF THE OFFER DOCUMENT   | 20       |
| <b>II.</b>   | <b>RISK FACTORS</b>   | 27       |
| <b>III.</b>  | <b>INTRODUCTION</b>   |          |
|              | THE ISSUE   | 49       |
|              | SUMMARY OF RESTATED FINANCIAL STATEMENTS  | 51       |
|              | GENERAL INFORMATION   | 56       |
|              | CAPITAL STRUCTURE   | 63       |
|              | OBJECTS OF THE ISSUE  | 73       |
|              | BASIS FOR ISSUE PRICE   | 79       |
|              | STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS  | 81       |
| <b>IV.</b>   | <b>ABOUT OUR COMPANY</b>  |          |
|              | INDUSTRY OVERVIEW   | 85       |
|              | OUR BUSINESS  | 103      |
|              | KEY REGULATIONS AND POLICIES IN INDIA   | 119      |
|              | HISTORY AND CORPORATE STRUCTURE   | 126      |
|              | OUR MANAGEMENT  | 129      |
|              | OUR PROMOTERS AND PROMOTER GROUP  | 144      |
|              | OUR GROUP COMPANIES   | 148      |
|              | DIVIDEND POLICY   | 151      |
| <b>V.</b>    | <b>FINANCIAL INFORMATION</b>  |          |
|              | RESTATED FINANCIAL STATEMENTS   | 152      |
|              | OTHER FINANCIAL INFORMATION   | 206      |
|              | MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS                | 207      |
|              | CAPITALISATION STATEMENT  | 234      |
|              | FINANCIAL INDEBTEDNESS  | 235      |
| <b>VI.</b>   | <b>LEGAL AND OTHER INFORMATION</b>  |          |
|              | OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS   | 237      |
|              | GOVERNMENT AND OTHER STATUTORY APPROVALS  | 243      |
|              | OTHER REGULATORY AND STATUTORY DISCLOSURES  | 248      |
| <b>VII.</b>  | <b>ISSUE RELATED INFORMATION</b>  |          |
|              | TERMS OF THE ISSUE  | 257      |
|              | ISSUE STRUCTURE   | 263      |
|              | ISSUE PROCEDURE   | 267      |
|              | RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES  | 285      |
| <b>VIII.</b> | <b>MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION</b>   | 287      |
| <b>IX.</b>   | <b>OTHER INFORMATION</b>  |          |
|              | MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION   | 315      |
|              | DECLARATION   | 316      |

## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

*This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline or policy or our Articles of Association or Memorandum of Association, shall be to such legislation, act, regulation, rule, guideline or policy or our Articles of Association or Memorandum of Association, as amended, supplemented or re-enacted from time to time, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.*

*The words and expressions used in this Draft Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, 2013, the SEBI (ICDR) Regulations, 2018, the Securities Contracts Regulation Act, 1992(“ SCRA ”), the Depositories Act or the rules and regulations made there under.*

*Notwithstanding the foregoing, terms used in of the sections “Statement of Possible Special Tax Benefits”, “Restated Financial Statements”, “Outstanding Litigations and Material Developments” “Key Regulations and Policies in India”, “Industry Overview”, “Basis for Issue Price”, “Our Business” and “Main Provisions of the Articles of Association” on page 81, 152, 237, 119, 85 79, 103 and 287 respectively, shall have the meaning ascribed to such terms in these respective sections.*

#### General Terms

| <b>Terms</b>  | <b>Description</b>   |
|---|--|
| “the Company”, “our Company”, “the Issuer”, “AEL”, “we”, “us” and “our” | Aprameya Engineering Limited, a Company incorporated in India under the Companies Act, 2013, having its Registered office at 908, 9th Floor, Venus Atlantis Corporate Park, Anandnagar, Prahladnagar, Ahmedabad, Gujarat-380015 India. |
| “you”, “your” or “yours”  | Prospective investors in this Issue.   |

#### Company related terms

| <b>Term</b>  | <b>Description</b>  |
|--|---|
| AOA / Articles / Articles of Association                   | Articles of Association of our Company, as amended, from time to time   |
| Audit Committee  | The Committee of the Board of Directors constituted in accordance with Section 177 of the Companies Act, 2013 and in accordance with Regulation 18 of the SEBI Listing Regulations, as described in the chapter titled “Our Management” beginning on page 136 of this Draft Red Herring Prospectus. |
| Auditors/ Statutory Auditors                               | The Statutory Auditors of our Company being M/s. CNK & Associates LLP, Chartered Accountants. (Firm Registration No. as 101961W/W-100036).  |
| Bankers to our Company                                     | Punjab National Bank  |
| Board of Directors / the Board / our Board                 | The Board of Directors of our Company, including all duly constituted Committees thereof. For further details of our Directors, please refer to section titled “Our Management” beginning on page 129 of this Draft Red Herring Prospectus.   |
| Chief Financial Officer/ CFO                               | The Chief Financial Officer of our Company being Jignesh Devubhai Suthar  |
| Company Secretary and Compliance Officer                   | The Company Secretary & Compliance Officer of our Company being Vijay Kishorbhai Jotani (M. No.: A59481)  |
| CSR Committee or Corporate Social Responsibility Committee | The corporate social responsibility committee of our Board, constituted in accordance with the Section 135 of the Companies Act and as described in the chapter titled “Our Management” beginning on page 136 of this Draft Red Herring Prospectus  |
| Director(s) / Our Directors                                | The Director(s) of our Company, unless otherwise specified.   |
| Equity Shareholders/ Shareholders                          | Persons/ Entities holding Equity Shares of our Company.   |
| Equity Shares  | Equity Shares of our Company of face value of ₹ 10/- each unless otherwise specified in the context thereof.  |
| Executive Directors  | Executive director(s) on our Board, as described in “Our Management” on page 129.   |

|  |  |
|--|--|
| Group Companies                              | Our group companies as disclosed in the section “Our Group Companies” on page 148.   |
| Independent Director                         | An Independent Director as defined under Section 2(47) of the Companies Act, 2013 and as defined under the Listing Regulations. For details of our Independent Directors, see “Our Management” on page 129 of this Draft Red Herring Prospectus.   |
| Joint Managing Director                      | The Joint Managing Director of our Company being, Saurabh Kishorbhai Bhatt.  |
| Key Management Personnel/ KMP                | Key Management Personnel of our Company in terms of Regulation 2(1) (bb) of the SEBI Regulations and the Companies Act, 2013. For details, see section titled “Our Management” on page 141 of this Draft Red Herring Prospectus.   |
| Materiality Policy                           | The policy adopted by our Board on July 02, 2022 for identification of Group Companies, material outstanding litigation and material outstanding dues to creditors, pursuant to the disclosure requirements under the SEBI (ICDR) Regulations, 2018 as amended from time to time.  |
| MD or Managing Director                      | The Managing Director of our Company being, Chetan Mohan Joshi   |
| MOA / Memorandum / Memorandum of Association | Memorandum of Association of Aprameya Engineering Limited as amended from time to time.  |
| Nomination and Remuneration Committee        | The nomination and remuneration committee of our Board constituted in accordance with Section 178 of the Companies Act, 2013 as described in the chapter titled “Our Management” beginning on page 136 of this Draft Red Herring Prospectus  |
| Non-Executive Director                       | Non-executive director(s) of our Company, as described in “Our Management” on page 129.  |
| Promoter Group                               | Includes such Persons and companies constituting our promoter group covered under Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018 as enlisted in the section “Our Promoters and Promoter Group” beginning on page 144 of this Draft Red Herring Prospectus.  |
| Promoter(s)                                  | Shall mean promoters of our Company i.e. Saurabh Kishorbhai Bhatt and Chetan Mohan Joshi. For further details, please refer to section titled “Our Promoters & Promoter Group” beginning on page 144 of this Draft Red Herring Prospectus.   |
| Registered Office of our Company             | The Registered Office of our Company situated at 908, 9th Floor, Venus Atlantis Corporate Park, Anandnagar, Prahladnagar, Ahmedabad, Gujarat 380015 India.   |
| Restated Financial Statement                 | The restated financial information of the Company comprising of the restated financial statement of assets and liabilities as at March 31, 2022, March 31, 2021 and March 31, 2020, the restated financial statement of profit and loss (including other comprehensive income), the restated financial statement of cash flows and the restated financial statement of changes in equity for the financial years ended March 31, 2022, March 31, 2021 and March 31, 2020 and the summary of significant accounting policies and explanatory notes and notes to restated financial statement prepared in terms of the Section 26 of Part I of Chapter III of the Companies Act, 2013, SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India, as amended |
| Risk Management Committee                    | The Risk Management Committee of our Company as described in the section entitled “Our Management” on page 136.  |
| RoC/ Registrar of Companies                  | The Registrar of Companies, ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat.   |
| Shareholders                                 | Shareholders of our Company from time to time.   |
| Stakeholders’ Relationship Committee         | Stakeholders’ relationship committee of our Company constituted in accordance with Section 178 of the Companies Act, 2013 and as described in the chapter titled “Our Management” beginning on page 136 of this Draft Red Herring Prospectus   |
| Subscriber to MOA                            | Initial Subscribers to MOA being Saurabh Kishorbhai Bhatt and Chetan Mohan Joshi.  |

### **Issue Related Terms**

| <b>Terms</b>        | <b>Description</b>   |
|---------------------|--|
| Abridged Prospectus | Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by SEBI in this behalf |

|   |   |
|---|---|
| Acknowledgement Slip                            | The slip or document issued by the Designated Intermediary to a bidder as proof of registration of the Application.   |
| Allocation/ Allocation of Equity Shares         | The Allocation of Equity Shares of our Company pursuant to Fresh Issue of Equity Shares to the successful Bidders.  |
| Allotment Advice                                | Note or advice or intimation of Allotment sent to the Bidders who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange  |
| Allotment/Allot/Allotted                        | Unless the context otherwise requires, means the allotment of Equity Shares, pursuant to the Issue to the successful bidders.   |
| Allottee (s)                                    | A successful bidder to whom the Equity Shares are allotted.   |
| Anchor Investor                                 | A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹ 100 Million   |
| Anchor Escrow Account / Escrow Account(s)       | Account opened with Anchor Escrow Bank for the Issue and in whose favour the Anchor Investors will transfer money through direct credit or NEFT or RTGS in respect of the Bid Amount when submitting a Bid.   |
| Anchor Investor Allocation Price                | The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Lead Manager during the Anchor Investor Bid/Issue Period   |
| Anchor Investor Application Form                | The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus   |
| Anchor Investor Bid/Issue Period                | One working day prior to the Bid/ Issue Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to the Anchor Investors shall be completed.   |
| Anchor Investor Issue Price                     | The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company, in consultation with the Book Running Lead Manager.   |
| Anchor Investor Portion                         | Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the Book Running Lead Manager, to the Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations.<br><br>One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations.   |
| Anchor Investor Pay-in Date                     | With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Issue Price, not later than two Working Days after the Bid/ Issue Closing Date.   |
| Application Supported by Block Amount (ASBA)    | An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorize an SCSB to block the Bid Amount in the ASBA Account and will include applications made by UPI Bidders using the UPI Mechanism where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by the bidders using the UPI Mechanism.  |
| ASBA Account                                    | A bank account maintained by ASBA Bidders with an SCSB and specified in the ASBA Form submitted by such ASBA Bidder in which funds will be blocked by such SCSB to the Bid Amount extent of the specified in the ASBA Form submitted by such ASBA Bidder and includes a bank account maintained by a Retail Individual Investor/ non-institutional investors linked to a UPI ID, which will be blocked in relation to a Bid by a Retail Individual Investor/ non-institutional investors Bidding through the UPI Mechanism. |
| ASBA Application Location(s) / Specified Cities | Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata and Ahmedabad.  |
| ASBA Bid  | A Bid made by an ASBA Bidder.   |
| ASBA Bidder                                     | Any prospective investor(s) / Bidder (s) in this Issue who apply(ies) through the ASBA process except Anchor Investor   |

|  |  |
|--|--|
| ASBA Form/ Bid cum Application               | An Application form (with or without UPI ID, as applicable), whether physical or electronic, used by Bidders which will be considered as the application for Allotment in terms of the Red Herring Prospectus.   |
| Bankers to the Issue                         | Collectively, Escrow Collection Bank(s), Public Issue Account Bank(s), Sponsor Bank and Refund Bank(s), as the case may be   |
| Basis of Allotment                           | The basis on which the Equity Shares will be Allotted to successful bidders under the Issue and which is described in the chapter titled “ <i>Issue Procedure</i> ” beginning on page 267 of this Draft Red Herring Prospectus.  |
| Bid  | An indication to make an offer during the Bid/ Issue Period by a Bidder (other than an Anchor Investor) pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/ Issue Period by an Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the Bid cum Application Form. The term “Bidding” shall be construed accordingly.   |
| Bid Amount                                   | The highest value of optional Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Issue.   |
| Bid cum Application Form                     | The form in terms of which the Bidder has made a Bid, including ASBA Form, and which has been considered as the application for the Allotment pursuant to the terms of the Red Herring Prospectus and this Prospectus  |
| Bid Lot                                      | [●] Equity Shares and in multiples of [●] Equity Shares thereafter   |
| Bid / Issue Closing Date                     | Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, which shall be notified in all editions of [●], an English national newspaper, all editions of [●], a Hindi national newspaper and Ahmedabad Edition of [●], Gujarati daily newspaper (Gujarati being the regional language of Gujarat, where our Registered Office is located) each with wide circulation, and in case of any revision, the extended Bid / Issue closing Date also to be notified on the website and terminals of the Syndicate, SCSB’s and Sponsor Bank, as required under the SEBI ICDR Regulations |
| Bid / Issue Opening Date                     | Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, which shall be notified in all editions of [●], an English national newspaper, all editions of [●], a Hindi national newspaper and Ahmedabad Edition of [●], Gujarati daily newspaper (Gujarati being the regional language of Gujarat, where our Registered Office is located), each with wide circulation, and in case of any revision, the extended Bid / Issue Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.               |
| Bid / Issue Period                           | Except in relation to any Bids received from the Anchor Investors, the period between the Bid / Issue Opening Date and the Bid / Issue Closing Date, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof. Provided however that the Bid/ Issue Period shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors.   |
| Bidder/ Investor/Applicant                   | Any prospective investor who makes a bid pursuant to the terms of the Red Herring Prospectus and the Bid-Cum-Application Form unless otherwise stated or implied, includes an Anchor Investor.   |
| Bidding Centres                              | Centres at which the designated intermediaries shall accept the ASBA Forms, i.e. Designated SCSB Branches for SCSBs, specified locations for syndicates, broker centres for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs.   |
| Book Building Process / Book Building Method | The book building route as provided under Schedule XIII of the SEBI (ICDR) Regulations, 2018 in terms of which this issue is being made.   |
| BRLM / Book Running Lead Manager             | The Book Running Lead Manager to the Issue, namely Hem Securities Limited.   |
| Broker Centres                               | Broker Centres notified by the Stock Exchanges, where the bidders can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and   |

|   |   |
|---|---|
|   | contact details of the Registered Brokers are available on the websites of the Stock Exchanges at <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a> .   |
| CAN/Confirmation of Allocation Note           | Notice or intimation of allocation of the Equity Shares to be sent to Successful Anchor Investors, who have been allocated the Equity Shares, on/after the Anchor Investor Bid/Issue Period.  |
| Cap Price                                     | The higher end of the price band above which the Issue Price will not be finalized and above which no Bids (or a revision thereof) will be accepted.<br><br>Cap Price shall be at least 105% of the Floor Price and shall not exceed 120% of the Floor Price.   |
| Cash Escrow and Sponsor Bank Agreement        | Agreement dated [●] entered into by our Company, the Registrar to the Issue, the BRLM, the Syndicate Member, and the Bankers to the Issue for collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Issue Account and where applicable, refund of the amounts collected from Bidders, on the terms and conditions thereof.   |
| Client Id                                     | Client Identification Number maintained with one of the Depositories in relation to Demat account.  |
| Collecting Depository Participants or CDPs    | A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI and the SEBI UPI Circulars, issued by SEBI, as per the list available on the websites of the Stock Exchanges, <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a> , as updated from time to time. |
| Collecting Registrar and Share Transfer Agent | Registrar to an Issue and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI and of the SEBI UPI Circulars.   |
| Controlling Branches of the SCSBs             | Such branches of the SCSBs which coordinate with the BRLM, the Registrar to the Issue and the Stock Exchange.   |
| Cut Off Price                                 | The Issue Price, which shall be any price within the Price band as finalized by our Company in consultation with the BRLM. Only Retail Individual Investors are entitled to Bid at the Cut – off Price. QIBs (including Anchor Investor) and Non – Institutional Investors are not entitled to Bid at the Cut-off Price.  |
| Demographic Details                           | The demographic details of the bidders such as their Address, PAN, name of the Bidders father/husband, investor status, Occupation and Bank Account details.  |
| Depositories Act                              | The Depositories Act, 1996, as amended from time to time.   |
| Depository / Depositories                     | A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time, being NSDL and CDSL.   |
| Depository Participant/ DP                    | A Depository Participant as defined under the Depositories Act.   |
| Designated CDP Locations                      | Such locations of the CDPs where Bidder can submit the Bid-Cum-Application Forms to Collecting Depository Participants.<br><br>The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid-Cum-Application Forms are available on the website of the Stock Exchange i.e. <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a>  |
| Designated Date                               | The date on which the funds from the Anchor Escrow Accounts are transferred to the Public Issue Account or the Refund Account(s), as appropriate, and the relevant amounts blocked by the SCSBs are transferred from the ASBA Accounts, to the Public Issue Account and/or are unblocked, as applicable, in terms of the Red Herring Prospectus and the Prospectus after finalization of basis of allotment with the Designated Stock Exchange.   |
| Designated Intermediaries                     | In relation to ASBA Forms submitted by RIIs and NIIs with an application size of upto ₹ 500,000 (not using the UPI Mechanism) authorizing an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs.<br><br>In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such bidders using the UPI Mechanism,   |

|                                   |            |  |
|-----------------------------------|------------|--|
|                                   |            | Designated Intermediaries shall mean Syndicate, sub-syndicate, Registered Brokers, CDPs and RTAs.<br><br>In relation to ASBA Forms submitted by QIBs NIIs (not using the UPI Mechanism), Designated Intermediaries shall mean SCSBs, Syndicate, sub-syndicate, Registered Brokers, CDPs and RTAs.  |
| Designated Locations              | RTA        | Such locations of the RTAs where Bidder can submit the Bid-Cum-Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid-Cum-Application Forms are available on the websites of the Stock Exchange i.e. www.bseindia.com and www.nseindia.com   |
| Designated Branches               | SCSB       | Such branches of the SCSBs which shall collect the ASBA Bid-Cum-Application Form (other than ASBA Forms submitted by the UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidder using the UPI Mechanism) from the Bidder and a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> . Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time. |
| Designated Exchange               | Stock      | [●]  |
| DP ID                             |            | Depository Participant's identity number.  |
| Draft Red Herring Prospectus      |            | This draft red herring prospectus dated September 07, 2022 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Issue, including any addenda or corrigenda thereto.   |
| Electronic Transfer of Funds      |            | Refunds through NACH, NEFT, Direct Credit or RTGS as applicable.   |
| Eligible FPI(s)                   |            | FPIs that are eligible to participate in this Issue in terms of applicable laws, other than individuals, corporate bodies and family offices.  |
| Eligible NRI(s)                   |            | A Non Resident Indian in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom this Draft Red Herring Prospectus will constitute an invitation to subscribe for the Equity Shares.  |
| Escrow Account(s)                 |            | The account(s) to be opened with the Escrow Collection Bank and in whose favour the Anchor Investors will transfer money through NACH/direct credit/NEFT/RTGS in respect of the Bid Amount when submitting a Bid.  |
| Escrow Bank(s)                    | Collection | The bank(s) which are clearing members and registered with SEBI as bankers to an issue under the SEBI BTI Regulations and with whom the Escrow Account(s) will be opened, in this case being [●]   |
| First Bidder/Applicant/Bidders    |            | Bidder(s) whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint bids, whose name shall also appear as the first holder of the beneficiary account held in joint names  |
| Floor Price                       |            | The lower end of the Price Band, subject to any revision thereto, at or above which the Issue Price and the Anchor Investor Issue Price will be finalised and below which no Bids will be accepted and which shall not be less than the face value of the Equity Shares  |
| Fresh Issue                       |            | The issue of up to 50,00,000 Equity Shares aggregating up to ₹ [●] lakhs by our Company for subscription pursuant to the terms of the Red Herring Prospectus.  |
| Foreign Venture Capital Investors |            | Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.  |
| FPI / Foreign Portfolio Investor  |            | A Foreign Portfolio Investor who has been registered pursuant to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended.  |
| Fraudulent Borrower               |            | Fraudulent borrower as defined under Regulation 2(1) (III) of the SEBI ICDR Regulations.   |
| Fugitive economic offender        |            | Shall mean an individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018)   |

|   |  |   |
|---|--|---|
| General Purposes                                      | Corporate                                    | Include such identified purposes for which no specific amount is allocated or any amount so specified towards general corporate purpose or any such purpose by whatever name called, in the offer document.   |
| General Information Document (GID)                    | Information                                  | The General Information Document for investing in public issues, prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 issued by SEBI, suitably modified and updated pursuant to the circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020 and the UPI Circulars and any subsequent circulars or notifications issued by SEBI from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the BRLM.  |
| Issue Agreement                                       |  | The Issue Agreement dated August 25, 2022 between our Company and Book Running Lead Manager pursuant to which certain arrangements have been agreed to in relation to the Issue.  |
| Issue Price   |  | The final price at which Equity Shares will be Allotted to successful Bidders, other than Anchor Investors. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price in terms of the Red Herring Prospectus. The Issue Price will be decided by our Company, in consultation with the BRLM on the Pricing Date, in accordance with the Book Building Process and in terms of the Red Herring Prospectus.   |
| Issue Proceeds  |  | Proceeds to be raised by our Company through this Issue, for further details please refer chapter titled “ <i>Objects of the Issue</i> ” beginning on page 73 of this Draft Red Herring Prospectus  |
| Issue/Public size/Initial Public Offering/IPO         | Issue/Issue size/Initial Public Offering/IPO | The initial public offer of up to 50,00,000 Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] each aggregating up to ₹ [●] lakhs.   |
| Listing Agreement                                     |  | The Equity Listing Agreement to be signed between our Company and the Stock Exchange.   |
| Mandate Request                                       |  | Mandate Request means a request initiated on the RII by sponsor bank to authorize blocking of funds equivalent to the application amount and subsequent debit to funds in case of allotment.  |
| Mobile App(s)   |  | The mobile applications listed on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmlId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmlId=43</a> or such other website as may be updated from time to time, which may be used by UPI Bidders to submit Bids using the UPI Mechanism   |
| Mutual Funds  |  | A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.   |
| Mutual Fund Portion                                   |  | 5% of the Net QIB Portion, or [●] Equity Shares, which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Issue Price  |
| Net Proceeds  |  | Proceeds received from the Issue excluding Issue related expenses. For further information on the use of Issue Proceeds and Issue expenses, please refer to the section titled “ <i>Objects of the Issue</i> ” beginning on page 73 of this Draft Red Herring Prospectus.   |
| Net QIB Portion                                       |  | The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors.  |
| Non – Resident  |  | A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs  |
| Non-Institutional Investors/ Institutional Bidders    | Non-Institutional                            | All Bidders, including FPIs other than individuals, corporate bodies and family offices, registered with the SEBI that are not QIBs (including Anchor Investors) or Retail Individual Investors, who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs).   |
| Non-Institutional Portion/ Non-Institutional Category |  | The portion of the Issue being not more than 15% of the Net Issue consisting of [●]*Equity Shares, available for allocation to Non-Institutional Bidders, on a proportionate basis. The allocation to each Non-Institutional Investor shall not be less than ₹200,000, subject to availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allocated on a proportionate basis, subject to valid Bids being received at or above the Issue Price, in accordance with the SEBI ICDR Regulations. Further, (a) one third of the portion available to Non-Institutional Investors shall be reserved for applicants with application size of more than ₹ 200,000 and up to ₹ 1,000,000; and (b) two third of the portion available to Non-Institutional Investors shall be reserved for applicants with application size of |

|  |  |
|--|--|
|  | more than ₹ 1,000,000, provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), may be allocated to applicants in the other sub-category of Non-Institutional Investors.<br><br>*Subject to finalization of Basis of Allotment  |
| Overseas Corporate Body/ OCB                 | A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue.   |
| Payment through electronic transfer of funds | Payment through NECS, NEFT or Direct Credit, as applicable.  |
| Person / Persons                             | Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and / or incorporated in the jurisdiction in which it exists and operates, as the context requires   |
| Price Band                                   | Price Band of a minimum price (Floor Price) of ₹ [●] and the maximum price (Cap Price) of ₹ [●] and includes revisions thereof. The Price Band and the minimum Bid Lot will be decided by our Company in consultation with the BRLM and advertised in two national daily newspapers (one each in English and in Hindi) with wide circulation and one daily regional newspaper with wide circulation at least two working days prior to the Bid / Issue Opening Date.   |
| Pricing Date                                 | The date on which our Company in consultation with the BRLM, will finalize the Issue Price.  |
| Prospectus                                   | The Prospectus, to be filed with the Registrar of Companies in accordance with the provisions of Section 26 & 32 of the Companies Act, 2013, containing, inter alia, the Issue Price, size of the Issue and certain other information.   |
| Public Issue Account                         | Account to be opened with the Bankers to the Issue to receive monies from the ASBA Accounts and from the Escrow Accounts in case of Anchor Investor(s), on the Designated Date.  |
| Public Issue Account Bank                    | The bank with whom the Public Issue Account is opened for collection of Bid Amounts from Escrow Account and ASBA Account on the Designated Date, in this case being [●].   |
| QIB Portion / QIB Category                   | The portion of the Issue (including the Anchor Investor Portion) being not less than 75% of the Net Issue comprising [●]* Equity Shares which shall be allocated to QIBs (including Anchor Investors), on a proportionate basis, (in which allocation to Anchor Investors shall be on a discretionary basis, as determined by our Company in consultation with the Book Running Lead Manager), subject to valid Bids being received at or above the Issue Price.<br><br>*Subject to finalization of Basis of Allotment |
| Qualified Institutional Buyers/ QIBs         | Qualified institutional buyers as defined under Regulation 2(1) (ss) of the SEBI ICDR Regulations.   |
| Red Herring Prospectus / RHP                 | The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be Issued and the size of the Issue, including any addenda or corrigenda thereto   |
| Refund Account                               | Account to which Application monies are to be refunded to the Bidders.   |
| Refund Bank / Refund Banker                  | Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this case being [●]   |
| Refund through electronic transfer of funds  | Refunds through NECS, direct credit, RTGS or NEFT, as applicable   |
| Registered Broker                            | Stock brokers registered with SEBI and the Stock Exchanges having nationwide terminals, other than the BRLM and the Syndicate Members and eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 4, 2012 and the SEBI UPI Circulars, issued by SEBI   |

|   |  |
|---|--|
| Registrar Agreement   | The agreement dated August 25, 2022 entered into between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.   |
| Registrar and Share Transfer Agents or RTAs                           | Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 DATED November 10, 2015 issued by SEBI.  |
| Registrar/ Registrar to the Issue/ RTI                                | Link Intime India Private Limited.   |
| Retail Individual Bidders / RIBs / Retail Individual Investors / RIIs | Individual Bidders, submitting Bids, who have Bid for Equity Shares for an amount not more than ₹ 2,00,000/- in any of the bidding options in the Issue (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs).  |
| Retail Portion  | The portion of the Issue being not less than 10% of the Issue, consisting of [●] Equity Shares, available for allocation to Retail Individual Bidders.   |
| Revision Form   | The form used by the Bidders to modify the quantity of Equity Shares or the Bid Amount in any of their Bid Cum Application Forms or any previous Revision Form(s), as applicable. QIBs and Non – Institutional Investors are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage.   |
| Self-Certified Syndicate Bank(s) / SCSB(s)                            | <p>(i) The banks registered with the SEBI which offer the facility of ASBA and the list of which is available on the website of the SEBI (<a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a>) and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.</p> <p>(ii) The banks registered with SEBI, enabled for UPI Mechanism, a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a></p> <p>Applications through UPI in the Issue can be made only through the SCSBs mobile applications whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI Mechanism is provided as Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. The said list shall be updated on SEBI website.</p> |
| Specified Locations   | Collection centres where the SCSBs shall accept application form, a list of which is available on the website of SEBI ( <a href="https://www.sebi.gov.in/">https://www.sebi.gov.in/</a> ) and updated from time to time  |
| Specified Securities  | Equity shares issued through this Draft Red Herring Prospectus.  |
| Sponsor Bank  | A Banker to the Issue which is registered with SEBI and is eligible to act as a Sponsor Bank in a public issue in terms of applicable SEBI requirements and has been appointed by the Company, in consultation with the BRLM to act as a conduit between the Stock Exchanges and NPCI to push the UPI Mandate Request in respect of UPI Bidders as per the UPI Mechanism and carry out other responsibilities in terms of the UPI Circulars, in this case being [●].   |
| Sub Syndicate Member  | A SEBI Registered member of BSE and NSE appointed by the BRLM and / or syndicate member to act as a Sub Syndicate Member in the Issue.   |
| Syndicate   | Includes the BRLM, Syndicate Members and Sub Syndicate Members.  |
| Syndicate Agreement   | Agreement to be entered into amongst our Company, the BRLM and the Syndicate Members, in relation to the collection of Bid cum Application Forms by the Syndicate Members.   |
| Syndicate ASBA Bidding Locations                                      | Bidding Centres where an ASBA Bidder can submit their Bid in terms of SEBI Circular no. CIR/CFD/DIL/1/2011 dated April 29, 2011, namely Mumbai, Chennai, Kolkata, Delhi  |
| Syndicate Members / Members of the Syndicate                          | Intermediaries registered with SEBI eligible to act as a syndicate member and who is permitted to carry on the activity as an underwriter, in this case being [●].   |
| Syndicate or members of the Syndicate                                 | Collectively, the BRLM and the Syndicate Members.  |
| Systemically Important Non – Banking Financial Company                | Systemically important non-banking financial company as defined under Regulation 2(1) (iii) of the SEBI ICDR Regulations.  |

|                                      |  |
|--------------------------------------|--|
| Transaction Registration Slip/ TRS   | The slip or document issued by the member of the Syndicate or SCSB (only on demand) as the case may be, to the Bidder as proof of registration of the Application.   |
| U.S. Securities Act                  | U.S. Securities Act of 1933, as amended  |
| Underwriter                          | The BRLM and the Syndicate Members who have underwritten this Issue pursuant to the provisions of the SEBI (ICDR) Regulations, 2018 and the Securities and Exchange Board of India (Underwriters) Regulations, 1993, as amended from time to time.   |
| Underwriting Agreement               | The Agreement dated [●] entered between the Underwriter(s) and our Company.  |
| UPI                                  | Unified payments interface which is an instant payment mechanism, developed by the National Payment Corporation of India.  |
| UPI Bidders                          | Collectively, individual investors applying as (i) Retail Individual Investors in the Retail Portion and (ii) Non-Institutional Bidders with an application size of up to ₹ 500,000 in the Non-Institutional Portion, and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agent.<br><br>Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹ 500,000 shall use UPI and shall provide their UPI ID in the Application Form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity) |
| UPI Circulars                        | Circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI, as amended by its Circular number SEBI/HO/CED/DIL/CIR/2016/26 dated January 21, 2016 and Circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 issued by SEBI as amended or modified by SEBI from time to time, including Circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and any other circulars issued by SEBI or any other governmental authority in relation thereto from time to time.  |
| UPI ID                               | ID created on UPI for single window mobile payment system developed by the National Payment Corporation of India.  |
| UPI Mandate Request/ Mandate Request | A request (intimating the UPI Bidders, by way of a notification on the UPI application and by way of a SMS directing the UPI Bidders to such UPI application) to the UPI Bidders initiated by the Sponsor Bank to authorise blocking of funds equivalent to the Bid Amount in the relevant ASBA Account through the UPI, and the subsequent debit of funds in case of Allotment.   |
| UPI Mechanism                        | The Bidding mechanism that is used by Retail Individual Investors to make Bids in the Issue in accordance with the UPI Circulars to make as ABA bid in the Issue.  |
| UPI PIN                              | Password to authenticate UPI transaction   |
| Venture Fund/VCF Capital             | Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.   |
| Wilful Defaulter(s)                  | Wilful defaulter as defined under Regulation 2(1) (III) of the SEBI (ICDR) Regulations, 2018.  |
| Working Day                          | In accordance with Regulation 2(1) (mmm) of SEBI (ICDR) Regulations, 2018, working days means, all days on which commercial banks in Mumbai are open for business. However, in respect of-   |

|  |   |
|--|---|
|  | <p>(a) announcement of Price Band; and</p> <p>(b) Bid/ Issue period, working days shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business;</p> <p>(c) In respect to the time period between the Bid/ Issue Closing Date and the listing of the Equity Shares on the Stock Exchange, working day shall mean all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI.</p> |
|--|---|

### **Technical and Industry Related Terms**

| <b>Term</b>       | <b>Description</b>   |
|-------------------|--|
| ABG Machine       | Arterial blood gas machine   |
| AC                | Air conditioning/Air conditioner   |
| Adjusted EBITDA   | Earnings before interest, taxes, depreciation and amortisation which has been arrived at by adding finance costs, depreciation and amortization expense, exceptional items and total tax expense to the Restated Profit/(loss) after tax for the year. |
| CAGR              | Compounded annual growth rate  |
| CMC               | Comprehensive Annual Maintenance Contract  |
| CO2               | Carbon dioxide   |
| CSSD              | Central sterile services department  |
| ECG               | electrocardiogram  |
| HR                | Heart rate   |
| HTM02-01 standard | Medical gas Pipeline system, Health Technical Memorandum origin UK   |
| ICU               | Intensive care units   |
| MGPS              | Medical gas pipeline system  |
| LCD               | Liquid crystal display   |
| LED               | Light-emitting diode   |
| ml                | milliliter   |
| nBili             | neonatal Bilirubin   |
| NFPA -99 standard | Medical gas Pipeline system, National Fire Protection Association, origin USA  |
| NIBP              | Non-Invasive Blood Pressure  |
| NICU              | Neonatal Intensive Care Units  |
| NIV               | Non-invasive ventilation   |
| NLEM              | National List of Essential Medicines   |
| NPPA              | National Pharmaceutical Pricing Authority  |
| OEM               | Original equipment manufacturer  |
| OPD               | Out-patient department   |
| OT                | Operation theatre  |
| pH                | potential of hydrogen  |
| PICU              | Pediatric Intensive Care Units   |
| PMA               | Pre-marketing approval   |
| RR                | Respiratory rate   |
| Spo2              | Oxygen saturation  |
| tHb               | Total haemoglobin  |
| USFDA             | United States Food and Drug Administration   |
| WHO               | World Health Organization  |

### **Conventional terms and Abbreviations**

| <b>Abbreviation</b>      | <b>Full Form</b>  |
|--------------------------|---|
| Rs. / Rupees/ INR / ₹    | Indian Rupees   |
| AS / Accounting Standard | Accounting Standards as issued by the Institute of Chartered Accountants of India |
| A/c                      | Account   |

|                         |   |
|-------------------------|---|
| ACS                     | Associate Company Secretary   |
| AGM                     | Annual General Meeting  |
| ASBA                    | Applications Supported by Blocked Amount  |
| AMT                     | Amount  |
| AIF                     | Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.                      |
| AY                      | Assessment Year   |
| AOA                     | Articles of Association   |
| Approx.                 | Approximately   |
| B. A                    | Bachelor of Arts  |
| B. Com                  | Bachelor of Commerce  |
| B. E                    | Bachelor of Engineering   |
| B. Sc                   | Bachelor of Science   |
| B. Tech                 | Bachelor of Technology  |
| Bn                      | Billion   |
| BG/LC                   | Bank Guarantee / Letter of Credit   |
| BRLM                    | Book Running Lead Manager   |
| BSE                     | BSE Limited   |
| NSE                     | National Stock Exchange of India Limited  |
| CDSL                    | Central Depository Services (India) Limited   |
| CAGR                    | Compounded Annual Growth Rate   |
| CAN                     | Confirmation of Allocation Note   |
| Companies Act, 2013     | Companies Act, 2013 to the extent in force pursuant to the notification of sections of the Companies Act, 2013 along with the relevant rules made thereunder as amended.    |
| Companies Act, 1956     | Companies Act, 1956 (without reference to the provisions that have ceased upon notification of the Companies Act, 2013) along with the relevant rules made thereunder       |
| Consolidated FDI Policy | The extant consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time. |
| CA                      | Chartered Accountant  |
| CAIIB                   | Certified Associate of Indian Institute of Bankers  |
| CB                      | Controlling Branch  |
| CC                      | Cash Credit   |
| CIN                     | Corporate Identification Number   |
| CIT                     | Commissioner of Income Tax  |
| CS                      | Company Secretary   |
| CS & CO                 | Company Secretary & Compliance Officer  |
| CFO                     | Chief Financial Officer   |
| CSR                     | Corporate Social Responsibility   |
| C.P.C.                  | Code of Civil Procedure, 1908   |
| Cr.P.C.                 | Code of Criminal Procedure, 1973  |
| CENVAT                  | Central Value Added Tax   |
| CST                     | Central Sales Tax   |
| CWA/ICWA                | Cost and Works Accountant   |
| CMD                     | Chairman and Managing Director  |
| DIN                     | Director Identification Number  |
| DIPPT                   | Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry ( <i>formerly Department of Industrial Policy and Promotion</i> ), GoI.          |
| DP                      | Depository Participant  |
| DP ID                   | Depository Participant's Identification Number  |
| EBITDA                  | Earnings Before Interest, Taxes, Depreciation & Amortization  |
| ECS                     | Electronic Clearing System  |
| ESIC                    | Employee's State Insurance Corporation  |
| EPFA                    | Employee's Provident Funds and Miscellaneous Provisions Act, 1952   |

|                            |  |
|----------------------------|--|
| EMI                        | Equated Monthly Installment  |
| EPS                        | Earnings Per Share   |
| EGM /EOGM                  | Extraordinary General Meeting  |
| ESOP                       | Employee Stock Option Plan   |
| EXIM/ EXIM Policy          | Export – Import Policy   |
| FCNR Account               | Foreign Currency Non Resident Account  |
| FIPB                       | Foreign Investment Promotion Board   |
| FY / Fiscal/Financial Year | Period of twelve months ended March 31 of that particular year, unless otherwise stated  |
| FEMA                       | Foreign Exchange Management Act, 1999 as amended from time to time, and the regulations framed there under.  |
| FCNR Account               | Foreign Currency Non Resident Account  |
| FBT                        | Fringe Benefit Tax   |
| FDI                        | Foreign Direct Investment  |
| FIs                        | Financial Institutions   |
| FPIs                       | “Foreign Portfolio Investor” means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities And Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act, 1992. |
| FTA                        | Foreign Trade Agreement  |
| FVCI                       | Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.   |
| FEMA                       | Foreign Exchange Management Act, 1999, including the rules and regulations thereunder  |
| FEMA Rules                 | Foreign Exchange Management (Non-debt Instruments) Rules, 2019   |
| Finance Act                | Finance Act, 1994  |
| FV                         | Face Value   |
| GoI/Government             | Government of India  |
| GDP                        | Gross Domestic Product   |
| GST                        | Goods and Services Tax   |
| GVA                        | Gross Value Added  |
| HUF                        | Hindu Undivided Family   |
| HNI                        | High Net Worth Individual  |
| HSL                        | Hem Securities Limited   |
| IBC                        | The Insolvency and Bankruptcy Code, 2016   |
| ICAI                       | The Institute of Chartered Accountants of India  |
| ISIN                       | International Securities Identification Number   |
| IST                        | Indian Standard Time   |
| ICWAI                      | The Institute of Cost Accountants of India   |
| IMF                        | International Monetary Fund  |
| IIP                        | Index of Industrial Production   |
| IPO                        | Initial Public Offer   |
| ICSI                       | The Institute of Company Secretaries of India  |
| IT                         | Information Technology   |
| IT Act                     | InformationTechnologyAct,2000  |
| IFRS                       | International Financial Reporting Standards  |
| INR / ₹/ Rupees            | Indian Rupees, the legal currency of the Republic of India   |
| I.T. Act                   | Income Tax Act, 1961, as amended from time to time   |
| IT Authorities             | Income Tax Authorities   |
| IT Rules                   | Income Tax Rules, 1962, as amended, except as stated otherwise   |
| Indian GAAP                | Generally Accepted Accounting Principles in India  |
| Ind AS                     | Indian Accounting Standards as referred to in and notified by the Ind AS Rules   |
| Ind AS Rules               | The Companies (Indian Accounting Standard) Rules, 2015   |
| IRDA                       | Insurance Regulatory and Development Authority   |
| KMP                        | Key Managerial Personnel   |

|                 |  |
|-----------------|--|
| LLB             | Bachelor of Law  |
| Ltd.            | Limited  |
| LLP             | Limited Liability Partnership  |
| MAT             | Minimum Alternate Tax  |
| MoF             | Ministry of Finance, Government of India   |
| MoU             | Memorandum of Understanding  |
| M. A            | Master of Arts   |
| MCA             | Ministry of Corporate Affairs, Government of India   |
| M. B. A         | Master of Business Administration  |
| MAT             | Minimum Alternate Tax  |
| M. Com          | Master of Commerce   |
| Mn              | Million  |
| M. E            | Master of Engineering  |
| M. Tech         | Masters of Technology  |
| Merchant Banker | Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992   |
| MSME            | Micro, Small and Medium Enterprises  |
| MAPIN           | Market Participants and Investors Database   |
| NA              | Not Applicable   |
| NCLT            | National Company Law Tribunal  |
| Networth        | The aggregate of paid up Share Capital and Share Premium account and Reserves and Surplus (excluding revaluation reserves) as reduced by aggregate of Miscellaneous Expenditure (to the extent not written off) and debit balance of Profit & Loss Account |
| NACH            | National Automated Clearing House  |
| NEFT            | National Electronic Funds Transfer   |
| NECS            | National Electronic Clearing System  |
| NAV             | Net Asset Value  |
| NCT             | National Capital Territory   |
| NPV             | Net Present Value  |
| NRI             | Non-Resident Indians   |
| NRE Account     | Non Resident External Account  |
| NRO Account     | Non Resident Ordinary Account  |
| NSE             | National Stock Exchange of India Limited   |
| NOC             | No Objection Certificate   |
| NSDL            | National Securities Depository Limited   |
| P.A.            | Per Annum  |
| PF              | Provident Fund   |
| PG              | Post Graduate  |
| PGDBA           | Post Graduate Diploma in Business Administration   |
| PLR             | Prime Lending Rate   |
| PAC             | Persons Acting in Concert  |
| P/E Ratio       | Price/Earnings Ratio   |
| PAN             | Permanent Account Number   |
| PAT             | Profit After Tax   |
| P.O.            | Purchase Order   |
| PBT             | Profit Before Tax  |
| PLI             | Postal Life Insurance  |
| POA             | Power of Attorney  |
| PSU             | Public Sector Undertaking(s)   |
| Pvt.            | Private  |
| Q.C.            | Quality Control  |
| RoC             | Registrar of Companies   |
| RBI             | The Reserve Bank of India  |

|  |  |
|--|--|
| Regulation S   | Regulation S under the U.S. Securities Act   |
| Registration Act   | Registration Act, 1908   |
| ROE  | Return on Equity   |
| RaD Report/ Industry Report  | Reports and Data Report  |
| R&D  | Research & Development   |
| ₹ or Rs.   | Rupees, the official currency of the Republic of India   |
| RONW   | Return on Net Worth  |
| RTGS   | Real Time Gross Settlement   |
| SBO Rules  | Significant Beneficial Owners, Rules, 2018   |
| SCRA   | Securities Contracts (Regulation) Act, 1956, as amended from time to time  |
| SCRR   | Securities Contracts (Regulation) Rules, 1957, as amended from time to time  |
| SME  | Small and Medium Enterprises   |
| SCSB   | Self-Certified syndicate Banks   |
| SEBI Act   | Securities and Exchange Board of India Act, 1992, as amended   |
| SEBI AIF Regulations   | Securities and Exchange Board of India (Alternate Investments Funds) Regulations, 2012, as amended.  |
| SEBI FPI Regulations   | Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended from time to time.  |
| SEBI FVCI Regulations  | Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time.   |
| SEBI Insider Trading Regulations   | Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended  |
| SEBI LODR/SEBI (Listing Obligations and Disclosure Requirement) Regulations/ Listing Regulations | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement), Regulations 2015, as amended from time to time.   |
| SEBI (PFUTP) Regulations / PFUTP Regulations   | Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003                                   |
| SEBI Regulations/ SEBI ICDR Regulations  | Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.   |
| SEBI SBEB Regulations  | Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.  |
| SEBI Takeover Regulations / Takeover Regulations / Takeover Code                                 | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.  |
| SEBI VCF Regulations   | Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended from time to time.   |
| SEBI   | Securities and Exchange Board of India   |
| STT  | Securities Transaction Tax   |
| Sub-Account  | Sub-accounts registered with SEBI under the SEBI (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals. |
| Sec.   | Section  |
| SPV  | Special Purpose Vehicle  |
| TAN  | Tax Deduction Account Number   |
| TRS  | Transaction Registration Slip  |
| Trade Marks Act  | Trade Marks Act, 1999  |
| TIN  | Taxpayers Identification Number  |
| UIN  | Unique identification number   |
| U.N.   | United Nations   |
| US/United States   | United States of America   |
| USD/ US\$/ \$  | United States Dollar, the official currency of the United States of America  |
| U.S. GAAP  | Generally Accepted Accounting Principles in the United States of America   |

|                            |  |
|----------------------------|--|
| VAT                        | Value Added Tax  |
| VCF / Venture Capital Fund | 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. |
| WDV                        | Written Down Value   |
| WTD                        | Whole Time Director  |
| w.e.f.                     | With effect from   |
| -, (₹)                     | Represent Outflow  |

The words and expressions used but not defined in this Draft Red Herring Prospectus will have the same meaning as assigned to such terms under the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 (the “SEBI Act”), the SCRA, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 the Depositories Act and the rules and regulations made thereunder.

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

### **Certain Conventions**

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

In this Draft Red Herring Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word “Lac / Lakh” means “one hundred thousand”, the word “million (mn)” means “Ten Lac / Lakh”, the word “Crore” means “ten million” and the word “billion (bn)” means “one hundred crore”. In this Draft Red Herring Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

### **Use of Financial Data**

Unless the context requires otherwise, the financial information in this Draft Red Herring Prospectus is derived from our Restated Financial Statements. Our Company’s financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year, so all references to a particular financial year or fiscal are to the 12-month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year. Unless the context requires otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year and references to a Fiscal/Fiscal Year are to the year ended on March 31, of that calendar year.

The degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act and SEBI ICDR Regulations. Any reliance by persons not familiar with the aforementioned policies and laws on the financial disclosures presented in this Draft Red Herring Prospectus should be limited. There are significant differences between Ind AS, Indian GAAP, U.S. GAAP and IFRS. Our Company does not provide a reconciliation of its financial statements with Indian GAAP, IFRS or U.S. GAAP requirements. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. For further details in connection with risks involving differences between Ind AS and other accounting principles, see *“Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as Indian GAAP, U.S. GAAP and IFRS, which investors may be more familiar with and may consider material to their assessment of our financial condition which may be material to investors’ assessments of our financial condition, result of operations and cash flows”* on page 27 of this Draft Red Herring Prospectus.

Our fiscal year commences on April 1 of every year and ends on March 31<sup>st</sup> of every next year.

For additional definitions used in this Draft Red Herring Prospectus, see the section *“Definitions and Abbreviations”* on page 1 of this Draft Red Herring Prospectus. In the section titled *“Main Provisions of the Articles of Association”*, on page 287 of the Draft Red Herring Prospectus defined terms have the meaning given to such terms in the Articles of Association of our Company.

Certain Non-GAAP Measures and certain other statistical information relating to our operations and financial performance like EBITDA, EBITDA Margin, PAT Margin, and others, have been included in this Draft Red Herring Prospectus. We compute and disclose such Non-GAAP Measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance. These Non-GAAP Measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies.

### **Use of Industry & Market Data**

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus has been obtained or derived from ICU Set-Up And Maintenance Market Report dated August 19, 2022 prepared by Reports and Data, a market research and

consulting company. The ICU Set-Up And Maintenance Market Report have been commissioned and paid for by our Company for an agreed fee and has been exclusively prepared for the purpose of the Issue. 'Reports and Data' is an independent agency which has no relationship with our Company, our Promoters, any of our Directors or Key Managerial Personnel or the Book Running Lead Manager. Reports and Data was appointed by our Company for obtaining the Industry Report.

Although the industry and market data used in this Draft Red Herring Prospectus is reliable, the data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. The extracts of the industry report are disclosed in the Offer Documents and there are no parts, information, data (which may be relevant for the proposed Issue), left out or changed in any manner. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "Risk Factors" on page 27. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements. In making any decision regarding the transaction, the recipient should conduct its own investigation and analysis of all facts and information contained in the prospectus and the recipient must rely on its own examination and the terms of the transaction, as and when discussed.

The sections "Summary of the Offer Document", "Industry Overview", "Our Business" and "Management's Discussion and Analysis of Financial Conditions and Results of Operations" of this Draft Red Herring Prospectus contain data and statistics from the ICU Set-Up and maintenance market report which has been commissioned by our Company, which is subject to the following disclaimer:

*"Reports and surveys are based purely on data or information accumulated from the authorized persons not limited to stakeholders and field marketing executives of reputed companies, Material, organizations or bodies. The information is also derived based on further discussion with subject matter experts heading the practice or at reputed companies.*

*Experts at Reports and Data assert that no business including but not limited to investments should be made purely on the data presented in these reports. We highly recommend that business owners or stakeholders should seek professional advice before making a business decision. Any resale, lending, disclosure or reproduction of this publication can only be made with prior written permission from Reports and Data. Transmission and/or reproduction of this document by any means or in any form (includes photocopying, mechanical, electronic, recording or otherwise) are prohibited without the permission of Reports and Data."*

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in "Risk Factors" sections of this Draft Red Herring Prospectus on page 27. Accordingly, no investment decision should be made solely on the basis of such information. The extent to which the market and industry data used in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources.

### **Currency of Financial Presentation**

All references to "Rupees" or "INR" or "₹" or "Rs." are to Indian Rupees, the official currency of the Republic of India. Except where specified, including in the section titled "Industry Overview" throughout the Draft Red Herring Prospectus all figures have been expressed in Lakhs.

Any percentage amounts, as set forth in "Risk Factors", "Our Business", "Management's Discussion and Analysis of Financial Conditions and Results of Operations" on page 27, 103 and 207 respectively of this Draft Red Herring Prospectus, unless otherwise indicated, have been calculated based on our Restated Financial Statements prepared in accordance with Ind AS.

The Draft Red Herring Prospectus contains conversion of certain US Dollar and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI (ICDR) Regulations, 2018. These conversions should not be construed as a representation that those US Dollar or other currency amounts could have been, or can be converted into Indian Rupees, at any particular rate.

## **FORWARD-LOOKING STATEMENTS**

This Draft Red Herring Prospectus includes certain “forward-looking statements”. We have included statements in the Draft Red Herring Prospectus which contain words or phrases such as “will”, “aim”, “is likely to result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions, that are “forward-looking statements”. Also, statements which describe our strategies, objectives, plans or goals are also forward looking statements. However, these are not the exclusive means of identifying forward looking statements.

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

1. General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
2. Changes in focus toward the healthcare infrastructure demand;
3. Any change in government policies resulting in increases in taxes payable by us;
4. Our ability to retain our key managements persons and other employees;
5. Changes in laws and regulations that apply to the healthcare industry in which we operate.
6. Our failure to keep pace with rapid changes in technology;
7. Our ability to grow our business;
8. Our ability to make interest and principal payments on our existing debt obligations and satisfy the other covenants contained in our existing debt agreements;
9. General economic, political and other risks that are out of our control;
10. Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
11. Company’s ability to successfully implement its growth strategy and expansion plans ;
12. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
13. Inability to successfully obtain registrations in a timely manner or at all;
14. Occurrence of Environmental Problems & Uninsured Losses;
15. Conflicts of interest with affiliated companies, the promoter group and other related parties;
16. Any adverse legal proceedings initiated against our company or its promoters, directors and key managerial personnel’s;
17. Concentration of ownership among our Promoters;
18. The performance of the financial markets in India and globally; and
19. Impact of covid-19 on our business and operations.

For further discussion of factors that could cause our actual results to differ, see the Section titled “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 27, 103 and 207 respectively of the Draft Red Herring Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

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

Neither our Company or our Directors or our Officers or Book Running Lead Manager or Underwriter nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the BRLM will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchange for the Equity Shares allotted pursuant to this Issue.

## **SUMMARY OF THE OFFER DOCUMENT**

*The following is a general summary of certain disclosures and terms of the Issue included in this Draft Red Herring Prospectus and is neither exhaustive, nor purports to contain a summary of all the disclosures in this Draft Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including “Risk Factors”, “The Issue”, “Capital Structure”, “Objects of the Issue”, “Industry Overview”, “Our Business”, “Our Promoters and Promoter Group”, “Restated Financial Statements”, “Outstanding Litigation and Material Developments”, and “Issue Procedure” on pages 27, 49, 63, 73, 85, 103, 144, 152, 237 and 267, respectively.*

### **A. Primary business of the Company**

Our Company is engaged in the business of installation, set up & maintenance of ICU, NICU, PICU, Operation Theatre and prefabricated structure ward (hereinafter referred to as “Healthcare Infrastructure projects”) on turnkey basis along with supply of high value healthcare equipment and diagnostic equipment to private hospitals, Government hospitals and medical practitioners. Over the years, we have evolved ourselves and developed our capabilities in offering end to end solutions in the field of healthcare services relating to ICU setup, operation theatre setup and providing medical equipment for easing operation related to patient treatment, monitoring and diagnosis by hospitals, medical practitioners and diagnostic service providers.

### **B. Industry in which our Company operates**

The Indian healthcare sector is experiencing rapid change and has become one of India’s largest sectors, both in terms of revenue and employment. This change has become significantly more visible over the last decade, with a renewed focus from the government and a growing market demand for healthcare services and products. The Indian population of nearly 1.4 billion is growing at a rate of 1.6 percent per year and has an elderly population of over 100 million. Rapid economic growth, rising middle class incomes, and increased market penetration of health insurance are fueling growth in the industry. The Indian healthcare industry reached \$190 billion in 2020, and it is expected to reach \$370 billion by 2024-2025, due to increased demand for specialized and higher quality healthcare facilities. The products and services driving this growth include hospitals, medical devices, clinical trials, telemedicine, medical tourism, health insurance, and medical equipment.

### **C. Names of our Promoters**

The Promoters of our Company are:

1. Saurabh Kishorbhai Bhatt;
2. Chetan Mohan Joshi

### **D. Issue Size**

This is an Initial Public Issue of upto 50,00,000 Equity Shares of face value of ₹ 10 each of our Company for cash at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity Share) aggregating to ₹ [●] lakhs (“**The Issue**”).

*The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on August 03, 2022 and by the Shareholder of our Company, vide a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Annual General Meeting held on August 06, 2022.*

The Issue shall constitute [●]% of the post-Issue paid-up equity share capital of our Company. For further details, see “The Issue” and “Issue Structure” on pages 49 and 263.

### **E. Objects of the Issue**

Our Company intends to utilize the net Proceeds of the Issue to meet the following objects:-

| Sr.<br>No. | Particulars | Amt.<br>(₹ in lakhs) |
|------------|-------------|----------------------|
|------------|-------------|----------------------|

|    |  |         |
|----|--|---------|
| 1. | To meet incremental Working Capital requirements | 7000.00 |
| 2. | General Corporate Purpose <sup>(1)</sup>         | ●       |
|    | <b>Total <sup>(2)</sup></b>                      | ●       |

(1)The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.

(2)To be finalized upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC.

#### **F. Pre-Issue Shareholding of Promoter and Promoter Group**

| Sr. No | Names                         | Pre IPO            |               |
|--------|-------------------------------|--------------------|---------------|
|        |                               | Shares Held        | % Shares Held |
|        | <b>Promoters</b>              |                    |               |
| 1.     | Chetan Mohan Joshi            | 69,00,000          | 49.29         |
| 2.     | Saurabh Kishorbhai Bhatt      | 69,00,000          | 49.29         |
|        | <b>TOTAL (A)</b>              | <b>1,38,00,000</b> | <b>98.58</b>  |
|        | <b>Promoter Group</b>         |                    |               |
| 3.     | Archana Chetan Joshi          | 60,000             | 0.43          |
| 4.     | Pooja Saurabh Bhatt           | 60,000             | 0.43          |
| 5.     | Mohan Champalal Joshi         | 40,000             | 0.28          |
| 6.     | Devyaniben Kishorbhai Bhatt   | 20,000             | 0.14          |
| 7.     | Kishorbhai Ichhashankar Bhatt | 20,000             | 0.14          |
|        | <b>TOTAL (B)</b>              | <b>2,00,000</b>    | <b>1.42</b>   |
|        | <b>Total (A+B)</b>            | <b>1,40,00,000</b> | <b>100.00</b> |

#### **G. Summary of Financial Information**

Following are the details as per the restated financial statements for the financial years ended on March 31, 2022, 2021 and 2020:

| Particulars                         | (₹ in lakhs)   |                |                |
|-------------------------------------|----------------|----------------|----------------|
|                                     | March 31, 2022 | March 31, 2021 | March 31, 2020 |
| Share Capital/Partners Capital      | 700.00         | 433.95         | 374.21         |
| Net Worth                           | 1456.31        | 433.95         | 374.21         |
| Revenue from Operation              | 19999.46       | 2593.16        | 1223.24        |
| Restated profit for the year        | 1661.29        | 86.00          | 65.42          |
| Restated Basic Earnings per Share   | 11.87          | 0.61           | 0.47           |
| Restated Diluted Earnings per Share | 11.87          | 0.61           | 0.47           |
| Restated Net Asset Value per Share  | 10.40          | 3.10           | 2.67           |
| Total Borrowings                    | 1368.28        | 148.27         | 403.21         |

Notes:

The company was originally formed as a partnership firm in the name of M/s Aprameya Engineering. Subsequently, the partnership firm was converted to the Company pursuant to a certificate of incorporation dated December 28, 2021 issued by the ROC. The shares were issued at par against the fixed capital of partners outstanding as on date of conversion i.e 27.12.2021. Further, the company has allotted 70,00,000 equity shares as fully paid-up bonus shares in the ratio of 1:1 on 06.08.2022. Further, as per Ind AS-33, if the number of ordinary or potential ordinary shares outstanding increases as a result of a capitalisation, bonus issue or share split, or decreases as a result of a reverse share split, the calculation of basic and diluted earnings per share for all periods presented shall be adjusted retrospectively. If these changes occur after the reporting period but before the financial statements are approved for issue, the per share calculations for those and any prior period financial statements presented shall be based on the new number of shares. Pursuant to the issue of bonus equity shares as mentioned above, the weighted average numbers of shares and consequently the basic and diluted earnings per share have been adjusted in the financial statements for all the earlier periods presented in the restated Financial statements.

Net Worth has been defined as the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the restated balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

Restated basic earnings per share (₹) = Profit for the year divided by weighted average number of equity shares outstanding during the year

Restated diluted earnings per share (₹) = Profit for the year divided by weighted average number of diluted equity shares outstanding during the year, that has been adjusted for the effects of all dilutive potential Equity Shares outstanding during the year

Restated Net Asset Value per Equity Share = Net worth divided by outstanding number of equity shares at the end of the year.

Total Borrowings = Non – current borrowings + Current Borrowings including current maturities of long-term borrowings  
For further details, see “Restated Financial Statements” on page 152.

## H. Auditor Qualifications

There are no audit qualifications which have not been given effect in the restated financial statements.

## I. Summary of Outstanding Litigations

Our Company is involved in certain legal proceedings. A brief detail of such outstanding litigations as on the date of this Draft Prospectus are as follows:

### Litigations/Matters involving our Company:-

| Nature of Cases | No. of Outstanding Cases | Amount Involved (in ₹ Lakhs)* |
|-----------------|--------------------------|-------------------------------|
| Direct Tax      | 13                       | 4.51                          |
| Indirect Tax    | 7                        | 6.83                          |

\*to the extent quantifiable

### Litigations/Matters involving our Directors: -

| Nature of Cases          | No. of Outstanding Cases | Amount Involved (in ₹ Lakhs)* |
|--------------------------|--------------------------|-------------------------------|
| Direct Tax               | 1                        | 0.02                          |
| Other pending Litigation | 1                        | 2.86                          |

\*to the extent quantifiable

### Litigations/Matters involving our Group Companies: -

| Nature of Cases | No. of Outstanding Cases | Amount Involved (in ₹ Lakhs)* |
|-----------------|--------------------------|-------------------------------|
| Direct tax      | 10                       | 0.92                          |

\*to the extent quantifiable

For further details, please refer to the chapter titled “*Outstanding Litigations and Material Developments*” on page 237 of this Draft Red Herring Prospectus.

## J. Risk Factors

For details on the risks involved in our business, please see the Chapter titled “*Risk Factors*” beginning on page 27.

## K. Summary of Contingent Liabilities

The following is a summary table of our contingent liabilities and commitments as at March 31, 2022, March 31, 2021 and March 31, 2020 as indicated in our Restated Financial Statements:

| Particular                       | March 31, 2022 | March 31, 2021 | March 31, 2020 |
|----------------------------------|----------------|----------------|----------------|
| a) Liabilities Disputed          |                |                |                |
| - Disputed VAT & CST liabilities | 1.11           | 35.96          | 35.96          |
| - Tax Deducted at Source         | 1.90           | 3.70           | 3.67           |
| b) Bank Guarantees               | 265.50         | 131.70         | 122.75         |
| <b>Total</b>                     | <b>268.51</b>  | <b>171.36</b>  | <b>162.38</b>  |

## L. Summary of Related Party Transactions

Following is the summary of the related party transactions entered by the Company (based on Restated Financial Statements) for the financial years ended on March 31, 2022, 2021 and 2020:-

### a) Name of the related party and nature of relationship: -

| Sr. No     | Particulars  | Relationship  |
|------------|--|---|
| <b>i</b>   | <b>Key Managerial Personnel (KMP)/Directors</b>      |   |
|            | 1. Mr. Chetan Mohan Joshi                            | Managing Director   |
|            | 2. Mr. Saurabh Kishorbhai Bhatt                      | Chairman and Joint Managing Director  |
|            | 3. Mrs. Archana Chetan Joshi                         | Director (With Effect From : 01.04.2022)                                      |
|            | 4. Mrs. Pooja Saurabh Bhatt                          | Director (With Effect From :01.04.2022 )                                      |
|            | 5. Mrs. Salini Hitesh Jalan                          | Independent Director (w.e.f 15.06.2022)                                       |
|            | 6. Mrs. Raina Singh                                  | Independent Director (w.e.f 15.06.2022)                                       |
|            | 7. Mrs Heena Hareshbhai Jaichandani                  | Independent Director (w.e.f 02.07.2022)                                       |
|            | 8. Mr. Sureshkumar Verma                             | Independent Director (w.e.f 02.07.2022)                                       |
|            | 9. Mr. Vijaykumar K Jotani                           | Company Secretary (w.e.f 01.06.2022)  |
|            | 10. Mr. Jignesh Suthar                               | Chief Financial Officer (w.e.f. 06.08.2022)                                   |
| <b>ii</b>  | <b>Relative</b>                                      | Relative of KMP   |
|            | 1. Mrs. Archana Chetan Joshi (Relative upto 31.3.22) |   |
|            | 2. Mrs. Pooja Saurabh Bhatt (Relative upto 31.3.22)  |   |
|            | 3. Mr. Sanjay Joshi                                  |   |
|            | 4. Mr. Sweta Joshi                                   |   |
|            | 5. Mr. Sunil Joshi                                   |   |
|            | 6. Mr. Aarti Joshi                                   |   |
| <b>iii</b> | <b>Related Entities</b>                              | Entities over which KMP / Relatives of KMP can exercise significant influence |
|            | 1. Aprameya Health Care_Prop. Saurabh Bhatt-HUF      |   |
|            | 2. Aprameya Life Science_Prop. Chetan Joshi-HUF      |   |
|            | 3. Mecviz Endoscopy India Pvt Ltd                    |   |
|            | 4. Aprameya Eng (India) Pvt Ltd                      |   |
|            | 5. D & A Instrumentation Labs LLP                    |   |
|            | 6. Manitechne Solution LLP                           |   |

### b) Key Managerial Personnel Compensation

(₹ in Lakhs)

| Particulars                                | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 | For the year ended 31st March, 2020 |
|--|-------------------------------------|-------------------------------------|-------------------------------------|
| <b>Partner's / Director's Remuneration</b> |                                     |                                     |                                     |
| Mr. Chetan Mohan Joshi                     | 562.50                              | 32.70                               | 27.00                               |
| Mr. Saurabh Kishorbhai Bhatt               | 562.50                              | 32.70                               | 27.00                               |
| <b>Total Compensation</b>                  | <b>1125.00</b>                      | <b>65.40</b>                        | <b>54.00</b>                        |

### c) Transactions with Related Parties:

During the year, the following transactions were carried out with related parties and relative of Key Managerial Personnel in the ordinary course of the business.

(₹ in Lakhs)

| Nature of Transaction and Name of Parties                               | For the year ended on |                  |                  |
|---|-----------------------|------------------|------------------|
|   | 31st March, 2022      | 31st March, 2021 | 31st March, 2020 |
| <b>A. Transaction with Related Party - Before Conversion to Company</b> |                       |                  |                  |
| <b>Partner's Capital Account Transaction</b>                            |                       |                  |                  |

|  |          |         |        |
|--|----------|---------|--------|
| <b>Partner's Remuneration</b>                |          |         |        |
| Mr. Chetan Mohan Joshi                       | 562.50   | 32.70   | 27.00  |
| Mr. Saurabh Kishorbhai Bhatt                 | 562.50   | 32.70   | 27.00  |
| <b>Interest on Capital</b>                   |          |         |        |
| Mr. Chetan Mohan Joshi                       | 17.64    | 19.90   | 19.21  |
| Mr. Saurabh Kishorbhai Bhatt                 | 19.17    | 22.92   | 20.07  |
| <b>Net Capital Addition/ (Withdrawals)</b>   |          |         |        |
| Mr. Chetan Mohan Joshi                       | 409.33   | 0.44    | 25.38  |
| Mr. Saurabh Kishorbhai Bhatt                 | 414.23   | (26.57) | 57.68  |
| <b>Share of Profit</b>                       |          |         |        |
| Mr. Chetan Mohan Joshi                       | 440.94   | 82.01   | 36.72  |
| Mr. Saurabh Kishorbhai Bhatt                 | 440.94   | 82.01   | 36.72  |
| <b>Closing Balance Fixed capital</b>         |          |         |        |
| Mr. Chetan Mohan Joshi                       | 350.00   | -       | -      |
| Mr. Saurabh Kishorbhai Bhatt                 | 350.00   | -       | -      |
| <b>Closing Balance Current capital</b>       |          |         |        |
| Mr. Chetan Mohan Joshi                       | 715.84   | 215.57  | 172.20 |
| Mr. Saurabh Kishorbhai Bhatt                 | 723.55   | 218.38  | 202.01 |
| <b>Purchase of goods</b>                     |          |         |        |
| Mecviz Endoscopy India Pvt Ltd               | 533.82   | 8.02    | -      |
| Aprameya Eng (India) Pvt Ltd                 | 2,056.84 | -       | -      |
| D & A Instrumentation Labs LLP               | 600.96   | -       | -      |
| <b>Sale of goods</b>                         |          |         |        |
| Manitechneest Solution LLP                   | -        | 0.91    | -      |
| <b>Sundry Balance Written Off</b>            |          |         |        |
| Mr. Sanjay Joshi                             | 1.00     | -       | -      |
| <b>Salary Expense</b>                        |          |         |        |
| Archana Chetan Joshi                         | 8.88     | 11.25   | 10.80  |
| Pooja Saurabh Bhatt                          | 8.88     | 11.25   | 10.80  |
| Sweta Joshi                                  | 4.12     | 5.38    | 4.20   |
| <b>Installation expenses</b>                 |          |         |        |
| Aprameya Eng (India) Pvt Ltd                 | 203.04   | -       | -      |
| Mecviz Endoscopy India Pvt Ltd               | 200.00   | -       | -      |
| Aprameya Health Care_Prop. Saurabh Bhatt-HUF | 18.49    | -       | -      |
| Aprameya Life Science_Prop. Chetan Joshi-HUF | 18.45    | -       | -      |
| Aarti Joshi                                  | 12.41    | 8.10    | -      |
| Sunil Joshi                                  | 16.85    | 8.25    | -      |
| <b>Accounts Payable</b>                      |          |         |        |
| Mecviz Endoscopy India Pvt Ltd               | 121.98   | 10.00   | -      |
| Aprameya Eng (India) Pvt Ltd                 | 559.07   | -       | -      |
| Aprameya Health Care_Prop. Saurabh Bhatt-HUF | 18.30    | -       | -      |
| Aprameya Life Science_Prop. Chetan Joshi-HUF | 18.26    | -       | -      |
| Sweta Joshi                                  |          |         |        |
| Aarti Joshi                                  | 12.28    | 8.04    | -      |
| Sunil Joshi                                  | 15.88    | 8.19    | -      |
| <b>Accounts Receivable</b>                   |          |         |        |
| Manitechneest Solution LLP                   | -        | 1.07    | -      |
| <b>Loan given during the year</b>            |          |         |        |
| Chetan Joshi (HUF)                           | 0.50     | 1.10    | 2.35   |
| Archana Chetan Joshi                         | 34.40    | 62.60   | 10.08  |
| Saurabh Bhatt (HUF)                          | 0.50     | 1.00    | 2.25   |
| Pooja Saurabh Bhatt                          | 39.00    | 68.00   | 11.12  |
| <b>Loan received back during the year</b>    |          |         |        |

|   |        |       |       |
|---|--------|-------|-------|
| Chetan Joshi (HUF)  | 0.50   | 1.10  | 2.35  |
| Archana Chetan Joshi  | 34.40  | 71.68 | 1.00  |
| Saurabh Bhatt (HUF)   | 0.50   | 2.90  | 2.10  |
| Pooja Saurabh Bhatt   | 39.00  | 78.12 | 1.00  |
| Sanjay Joshi  | -      | -     | -     |
| Sunil Joshi   | 0.80   | -     | -     |
| Mecviz Endoscopy India Pvt Ltd  | -      | 0.36  | -     |
| <b>Loan Receivable Outstanding at the end of the year</b>                                     |        |       |       |
| Archana Chetan Joshi  | -      | -     | 9.08  |
| Saurabh Bhatt (HUF)   | -      | -     | 1.90  |
| Pooja Saurabh Bhatt   | -      | -     | 10.12 |
| Sanjay Joshi  | -      | 1.00  | 1.00  |
| Sunil Joshi   | -      | 0.80  | 0.80  |
| Mecviz Endoscopy India Pvt Ltd  | -      | -     | 0.36  |
| <b>Unsecured Loan taken during the year</b>   |        |       |       |
| Aprameya Eng (India) Pvt Ltd  | 44.30  | 84.20 | 39.85 |
| <b>Unsecured Loan repaid during the year</b>  |        |       |       |
| Aprameya Eng (India) Pvt Ltd  | 44.30  | 84.20 | 39.85 |
| Sunil Joshi   | -      | 4.34  | -     |
| Aarti Joshi   | -      | 4.11  | -     |
| <b>Unsecured Loan Payable Outstanding at the end of the year</b>                              |        |       |       |
| Sunil Joshi   | -      | -     | 4.34  |
| Aarti Joshi   | -      | -     | 4.11  |
| <b>B. Transaction with Related Party - After Conversion from partnership firm to Company.</b> |        |       |       |
| <b>Issue of Share Capital</b>   |        |       |       |
| Mr. Chetan Mohan Joshi  | 350.00 | -     | -     |
| Mr. Saurabh Kishorbhai Bhatt  | 350.00 | -     | -     |
| <b>Unsecured Loan transferred from Capital of Erstwhile Partnership Firm</b>                  |        |       |       |
| Mr. Chetan Mohan Joshi  | 715.84 | -     | -     |
| Mr. Saurabh Kishorbhai Bhatt  | 723.55 | -     | -     |
| <b>Unsecured Loan taken during the year</b>   |        |       |       |
| Mr. Chetan Mohan Joshi  | 164.50 | -     | -     |
| Mr. Saurabh Kishorbhai Bhatt  | 156.00 | -     | -     |
| <b>Unsecured Loan paid back during the period</b>   |        |       |       |
| Mr. Chetan Mohan Joshi  | 289.68 | -     | -     |
| Mr. Saurabh Kishorbhai Bhatt  | 257.84 | -     | -     |
| <b>Unsecured Loan Outstanding</b>   |        |       |       |
| Mr. Chetan Mohan Joshi  | 590.66 | -     | -     |
| Mr. Saurabh Kishorbhai Bhatt  | 621.71 | -     | -     |
| <b>Sales</b>  |        |       |       |
| Mecviz Endoscopy India Pvt Ltd  | 50.48  | -     | -     |
| <b>Purchase</b>   |        |       |       |
| Mecviz Endoscopy India Pvt Ltd  | 7.86   | -     | -     |
| <b>Salary Expense</b>   |        |       |       |
| Mrs. Archana Chetan Joshi   | 2.82   | -     | -     |
| Mrs. Pooja Saurabh Bhatt  | 2.82   | -     | -     |
| Mrs. Sweta Joshi  | 1.38   | -     | -     |
| <b>Accounts Payable</b>   |        |       |       |
| Mecviz Endoscopy India Pvt Ltd  | 121.98 | -     | -     |
| Aprameya Eng (India) Pvt Ltd  | 559.07 | -     | -     |
| Aprameya Health Care_Prop. Saurabh Bhatt-HUF  | 18.30  | -     | -     |
| Aprameya Life Science_Prop. Chetan Joshi-HUF  | 18.26  | -     | -     |
| Mrs. Aarti Joshi  | 12.28  | -     | -     |

|                 |       |   |   |
|-----------------|-------|---|---|
| Mr. Sunil Joshi | 15.88 | - | - |
|-----------------|-------|---|---|

**M. Details of Financing Arrangements**

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

**N. Weighted Average Price of the shares acquired by Promoters in last one year**

| Sr. No. | Name of the Promoters    | No. of Shares held | Average cost of Acquisition (in ₹) |
|---------|--------------------------|--------------------|------------------------------------|
| 1.      | Saurabh Kishorbhai Bhatt | 69,00,000          | 5.07                               |
| 2.      | Chetan Mohan Joshi       | 69,00,000          | 5.07                               |

**O. Average Cost of acquisition of shares**

The average cost of acquisition of Equity Shares by our Promoters is set forth in the table below:

| Sr. No. | Name of the Promoters    | No. of Shares held | Average cost of Acquisition (in ₹) |
|---------|--------------------------|--------------------|------------------------------------|
| 1.      | Saurabh Kishorbhai Bhatt | 69,00,000          | 5.07                               |
| 2.      | Chetan Mohan Joshi       | 69,00,000          | 5.07                               |

**P. Pre IPO Placement**

Our Company is not considering any pre-IPO placement of equity shares of the Company.

**Q. Equity Shares issued for consideration other than cash**

Except as mentioned below, the Company has not issued any Equity Share for consideration other than cash since its incorporation.

| Date of Allotment | Number of Equity Shares | Face Value (₹) | Issue Price (₹) | Reasons for Allotment           | Benefits Accrued to Company          | Name of Allottees             | No. of Shares Allotted |
|-------------------|-------------------------|----------------|-----------------|---------------------------------|--------------------------------------|-------------------------------|------------------------|
| August 06, 2022   | 70,00,000               | 10             | -               | Bonus Issue in the ratio of 1:1 | Capitalization of Reserves & Surplus | Saurabh Kishorbhai Bhatt      | 34,50,000              |
|                   |                         |                |                 |                                 |                                      | Chetan Mohan Joshi            | 34,50,000              |
|                   |                         |                |                 |                                 |                                      | Archana Chetan Joshi          | 30,000                 |
|                   |                         |                |                 |                                 |                                      | Pooja Saurabh Bhatt           | 30,000                 |
|                   |                         |                |                 |                                 |                                      | Devyaniben Kishorbhai Bhatt   | 10,000                 |
|                   |                         |                |                 |                                 |                                      | Kishorbhai Ichhashankar Bhatt | 10,000                 |
|                   |                         |                |                 |                                 |                                      | Mohan Champalal Joshi         | 20,000                 |
|                   |                         |                |                 |                                 |                                      | <b>Total</b>                  | <b>70,00,000</b>       |

**R. Split/ Consolidation of equity shares**

We have not carried any split/consolidation of face value of Equity Shares in the last one year.

**S. Exemption from complying with any provisions of securities laws, if any, granted by SEBI**

Our Company has not made any application under the SEBI ICDR Regulations for seeking exemption from complying with any provisions of securities laws, as on the date of this Draft Red Herring Prospectus.

## **SECTION II – RISK FACTORS**

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

*We have described the risks and uncertainties that we consider material, but these risks and uncertainties may not be the only risks relevant to us, the Equity Shares, or the industry in which we currently operate or propose to operate. Unless specified or quantified in the relevant risk factor below, we are not in a position to quantify the financial or other implication of any of the risks mentioned in this section. If any or a combination of the following risks actually occur, or if any of the risks that are currently not known or deemed to be not relevant or material now actually occur or become material in the future, our business, cash flows, prospects, financial condition and results of operations could suffer, the trading price of the Equity Shares could decline, and you may lose all or part of your investment. For more details on our business and operations and also to obtain a complete understanding of the risks involved, prospective investors should read this section in conjunction with the sections, see “Our Business”, “Industry Overview”, “Key Regulations and Policies in India” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 103, 85, 119 and 207, respectively, as well as other financial information included elsewhere in this Draft Red Herring Prospectus. In making an investment decision, you must rely on your own examination of us and the terms of the issue, including the merits and risks involved, and you should consult your tax, financial and legal advisors about the particular consequences of investing in the Issue. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment which may differ in certain respects from that of other countries. The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, such financial impact cannot be disclosed in such risk factors. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section.*

*This Draft Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including but not limited to the considerations described below and elsewhere in this Draft Red Herring Prospectus. For details, see “Forward-Looking Statements” on page 19.*

*Unless otherwise indicated, industry and market data used in this section has been derived from the ICU Set-Up And Maintenance Market Report dated August 19, 2022 prepared and released by Reports and Data, commissioned and paid for by us in connection with the Issue. The ICU Set-Up And Maintenance Market Report is available at the following web-link: [www.aelhealth.com](http://www.aelhealth.com). Unless otherwise indicated, all financial, operational, industry and other related information derived from the ICU Set-Up And Maintenance Market Report and included herein with respect to any particular year, refers to such information for the relevant financial year. Also see, “Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation – Industry and Market Data” on page 17.*

*Unless the context otherwise requires, references in this section to “our Company”, “we”, “us”, or “our” are to Aprameya Engineering Limited.*

*Our financial or fiscal year ends on March 31 of each calendar year. Accordingly, references to a “Fiscal” or “fiscal year” are to the 12-month period ended March 31 of the relevant year. The financial information included in this section for the Fiscal 2022, Fiscal 2021 and Fiscal 2020 has been extracted from our Restated Financial Statements beginning on page 152.*

### **Internal Risks**

#### **1. Loss of any of our key customers or significant reduction in demand from, our significant customers may materially and adversely affect our business and financial performance.**

Our top 10 customers accounted for approximately 91%, 80% and 50% of our revenue from operations in Fiscals 2022, 2021 and 2020, respectively. Sales to our Company’s top five customers represented 80%, 73% and 36% of its revenue from operations in Fiscals 2022, 2021 and 2020, respectively. Our key customers majorly include medical practitioners, Government and private hospitals, medical colleges and diagnostic centers.

Since we are dependent on certain key customers for a significant portion of our sales, the loss of one or more of such customers or a reduction in demand from such customers, for any reason, including due to loss of contracts, delay in fulfilling existing orders, failure to negotiate or agree upon acceptable terms in negotiations, disputes or a loss of market share or a downturn in the spending on healthcare by them, if not suitably replaced with another customer, could adversely affect our business, financial condition and results of operations. Further, during the Fiscal 2022, approximately 42% of our revenue was contributed from a single customer. Our revenues and profitability may also be adversely affected if there's a significant reduction in the volume of our business with such customers, or if our customers prefer our competitors over us, and we may not remain the preferred products and solutions provider for certain of our customers.

For instance, if there is any change in the treatment methodology adopted by a medical practitioner, this may lead to cancellation of orders or loss of business and consequently reduce our sales and affect our estimates of anticipated sales, which could materially and adversely affect our business, financial condition and results of operations. Further, our future growth is also linked to the addition of new customers and failure to do so could materially and adversely affect our business, financial condition and results of operations.

***2. We depend on State governments in India and related agencies for a part of our business, which are awarded primarily through competitive bidding processes. There is no assurance that future contracts will be awarded to us by these customers. Also, the tenders floated by the government agencies have terms that are suitable to such agencies. This may result in an adverse effect on our business growth, financial and results of operations.***

We derive a portion of our revenue from contracts awarded by State governments in India. These contracts are typically awarded to us through a competitive bidding process, and are subject to the satisfaction of certain eligibility conditions and performance standards. These include prior experience in the business, market standing and availability of financial resources. Further, once prospective bidders satisfy the pre-qualification requirements of the tender, contracts are usually awarded based on the quote by the prospective bidder. Though we have satisfied the pre-qualification criteria to bid for contracts in the past, there can be no assurance that we will be able to meet such criteria to bid for such contracts in the future.

In addition, government conducted tender processes may be subject to change in qualification criteria, unexpected delays, modifications, cancellations, withdrawals and uncertainties. Terms of contracts procured under the tender process may not prove to be optimally beneficial for us. In the event that new contracts are announced and there are changes in the qualification criteria such that we are unable to qualify or even if the Company meets the qualification criteria, it may not meet the financial criteria and fail to qualify for selection, our business, prospects, financial condition, cash flows and results of operations may be adversely affected.

Further, the tenders floated by the government agencies have terms that are suitable to such agencies. We have only a limited ability to negotiate on these terms with government agencies, which tend to favour them. Our ability to continue operating or undertaking projects thus largely depends on our government clients, who may terminate the relevant tenders. Further, the completion of the work order also largely depends on the site handover by the Government agencies. If the client make any delay in the site handover to us for starting the work, we may not be able to complete the work order in time. In the event we commit a default under the terms of the work order, the authority may suspend us from carrying out any work on the relevant project for a certain period of time from the date of issue of notice or we may be required to indemnify the relevant government agency for all costs incurred during such period by the government agency on account of such default committed by us. Further, if we fail to meet the stringent requirements of the tenders, we may be subject to penal actions by the relevant authorities. For instance, in the year 2019, Rajasthan Medical Services Corporation, Government of Rajasthan ("Corporation") passed an order against the Company under which the contract to supply basic ventilators awarded to the Company was terminated, its bid security was seized by the Corporation and we were debarred from participating in the bidding process issued by the Corporation for 6 (six) months from the date of issue of the Order. Such onerous conditions in the government work orders and any such debarment may affect the efficient execution of these projects and may have adverse effects on our profitability.

***3. We depend significantly on customers and their spending in the healthcare infrastructure industry and any decline in the spending on healthcare infrastructure in India, could adversely affect our business and profitability.***

According to the ICU Set-up and maintenance market report, "India's healthcare sector is in high demand from both foreign and indigenous investors. The Government's plans to increase budgetary allocation for public health spending to 2.5% of the country's GDP by 2025, will benefit the hospital sector as well. Specialty hospitals and tertiary care institutions in particular are in high demand. The amount of beds that are currently available and those that are needed are far apart. India has fewer

hospital beds per 1,000 people than the rest of the world, which means that over the next 15 years, an additional 2.2 million beds will be required.”

We depend significantly on customers in the healthcare infrastructure industry. Any reduction in the spending by the customers or the government in the field of healthcare infrastructure development could materially and adversely affect our business, financial condition and results of operations. During the Fiscal 2021, our revenue from government entities was approximately 54%, which rose to approximately 96% of our revenue from operations in Fiscal 2022. This rise was mainly on account of an increase in the turnkey projects undertaken by our Company. As a result of our dependence on customers in the government sector, we are exposed to fluctuations in the business from the government entities which directly depends on the budgetary fund allocation and spending of the Government in the development of healthcare infrastructure.

Further, we are exposed to credit risk in the usual course of our business due to the nature of, and the inherent risks involved in, dealings and arrangements with our customers who may delay or fail to make payments or perform their other contractual obligations. Our operations involve extending credit to our customers, further many of our customers includes government agencies and consequently, we face the risk of the uncertainty regarding the delay in receipt of these outstanding amounts. The payments from government entities may be, subject to delays, due to regulatory scrutiny and procedural formalities. As at March 31, 2022, 2021 and 2020, our Company’s outstanding trade receivables were ₹ 2689.73 lakhs, ₹ 430.26 lakhs and ₹ 625.34 lakhs, respectively, and constituted 13.45%, 16.59% and 51.12%, respectively, of our Company’s revenue from operations. The financial condition of our customers may be affected by several factors including general economic conditions which may be beyond our control and budget constraints. Such conditions could cause our customers to delay payment, request modifications of their payment terms, or default on their payment obligations to us, all of which could increase our receivables. We cannot assure you that we will be able to collect the whole or any part of any overdue payments. A significant delay in, or non-receipt of, large payments by our customers could adversely affect our cash flows and results of operations.

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

Our Company’s Order Book as of a particular date comprises the estimated revenues from our ongoing contracts as reduced by value of work billed i.e., the total contract value of such ongoing projects as reduced by the value of work billed until such date. Our contracts generally do not have any clause relating to escalation or change in work scope. The manner in which we calculate and present our Company’s Order Book information may vary from the manner in which such information is calculated and presented by other companies, including our competitors. The Order Book information included in this Draft Red Herring Prospectus does not necessarily indicate our future earnings. Our Order Book should not be considered in isolation or as a substitute for performance measures. Further, the order book of our company is based on the management estimates. As of July 31, 2022, our Company had an Order Book of ₹ 6711.97 lakhs, and comprised 11 projects relating to installation, set up & maintenance of ICU, PICU, NICU and Operation Theatre. For further details on our Order Book, see “Our Business – Order Book” on page 113. We may not be able to achieve our expected margins or may even suffer losses on one or more of these work orders or we may not be able to realise the revenues which we anticipated in such projects.

We may encounter problems executing the projects as ordered, or executing it on a timely basis. Moreover, factors beyond our control or the control of our clients may postpone a project or cause its cancellation, including delays in site handover, delay in supply of equipment and other types of difficulties or obstructions. Delays in the completion of a project can lead to clients delaying or refusing to pay the amount, in part or full, that we expect to be paid in respect of such project. Further for project execution we are dependent on the handover of the site by the hospitals. If a client does not perform such action in a timely manner, and the possibility of such failure is not provided for in the contract, our projects could be delayed, modified or cancelled. Accordingly, the realization of our Order Book and the effect on our results of operations may vary significantly from one reporting period to another reporting period depending on the nature of such contracts and actual performance of such contracts. If we do not achieve our expected margins or suffer losses in one or more of these contracts, this could have a material adverse effect on our results of operations and financial condition.

***5. We have diversified into the business related to installation, set up & maintenance of ICU, NICU, PICU and Operation Theatre in the recent past and are subject to risks associated with new offerings and may not successfully implement our new business models.***

We have diversified into the business of installation, set up & maintenance of ICU, NICU, PICU and Operation Theatre in year 2020 and thus we have limited history of operating in this business segment vis-à-vis some of our competitors. Although, we

believe that we have been successful in the said business model as we have over a span of two years completed execution of projects having contract value of over ₹ 12000 Lakhs including installation of 1181 critical care beds including ICUs, NICUs, PICUs and operation theatre across the state of Rajasthan, however, going forward there may be many unforeseen challenges in the business and they may pose bigger risk due to our inexperience. Our business and financial position may be adversely affected to the extent we are not able to deal with these business challenges in a timely and effective manner. While foraying into new businesses or offerings, we may not have adequate resources or experience in the relevant markets and business segments. We may lack the resources, logistics, or requisite skill sets to implement and manage new business models and offerings in a cost-efficient and profitable manner. In addition, the development of some of the new business may involve significant upfront investments and its failure may result in our inability to recoup some or all of these investments. We may also be unable to predict the preferences of the medical service providers or effectively identify the market needs in the healthcare industry. We may be subject to additional laws, regulations and practices, including uncertainties associated with changes in law, as a result of our forays into new business segments and models. We cannot assure you that our expansion into new businesses or introduction of new segments will be profitable or that we will successfully recoup our costs of investments.

***6. We face risks relating to sourcing medical equipments from third parties. Failure of such third parties to meet their obligations could adversely affect our business and results of operations.***

We deal in variety of medical equipment used by the medical practitioners, hospital and diagnostic service providers. The major components we deal in includes Electrosurgical Generator, Electrosurgical Unit, CO2 Insufflator, LED Surgery Light, Surgical & Medical Examination Light, ICU Respiratory Monitoring System, ICU Ventilation System, Anesthesia Workstation, Jaundice Meter, Anesthesia Machine, Harmonic Scalpel etc. We have entered into distributorship agreement with medical equipment suppliers such as Johnson & Johnson Private Limited, Philips India Limited, Alan Electronic Systems Pvt. Ltd and Stryker India Private Limited. Apart from these companies we also have established cordial relationship with medical device manufacturers like Draeger Medical India Private Limited, Siemens Healthcare Private Limited, Schiller Healthcare India Private Limited Akas Medical Equipment, Jai Bhawani Enterprises, SD Biosensor, Epsilon, Resmed and many other medical devices manufacturers and suppliers for easy and timely procurement. We do not currently have long term contracts or exclusive supply arrangements with some of our suppliers and we purchase the medical equipment from them on requirement basis. Although we have not encountered any significant disruptions in the sourcing of any medical equipment, we cannot assure you that such disruptions will not occur and/or we shall continue to be able to source the equipment in a cost effective manner.

Any failure to procure such medical equipment on a timely basis, or at all, from such third parties and on commercially suitable terms, could affect our ability to provide our services. Under the agreements entered with suppliers, the supplier generally has the discretion to terminate the agreement with a specified period of notice in the event of a breach of any term or condition of the agreement, including but not limited to default in payment. Any such termination may adversely affect our operations. Our dependence on a limited number of medical equipment suppliers and manufacturers exposes us to risks of delays or inability to meet the demand for the equipment . We may also be unable to find any alternative in time, or at all, and at a suitable cost. Any such delay or inability could cause disruptions in our operations and adversely affect our business, financial condition and cash flows.

Further, we are dependent on a limited set of suppliers, some of whom are the major manufacturers of the medical equipment. We cannot assure you that demand, capacity limitations, shortages, work stoppages, labour or social unrest, transport bottlenecks and risks, weather emergencies, commercial disputes, government actions, riots, wars, sabotage, cyber-attacks, acts of terrorism, “acts of God”, financial or operational instability of suppliers or other problems that our suppliers experience will not result in occasional shortages or delays in their supply of equipment to us. The failure of our suppliers to deliver the equipment as per the required delivery schedule, or specifications, may adversely affect our project schedule and thereby delay in handover of the project to our customers and in turn giving rise to contractual penalties or liabilities, loss of customers or reputation, any of which could adversely affect our business, financial condition and results of operations.

In addition, our profitability is susceptible to the cost of medical equipments that we purchase. If we fail to achieve favourable pricing on medical equipment or are unable to pass on any cost increases to our customers, our profitability could be materially and adversely affected. Our profitability is susceptible to the cost of medical equipment we purchase. Additionally, for Fiscal Years 2022, 2021 and 2020, cost of material (comprising our expenses related to purchases of stock-in-trade, project related expenses and changes in inventories of stock-in-trade) formed a substantial part of our expenses representing 87%, 77% and 61%, respectively of our total expenses. Further, any increase in the costs of medical equipment may negatively impact our anticipated profit margins from the setting up of ICU and operation theatre setting up projects. Further, any increase in the prices post receipt of tender will require us to adopt an alternative means to deliver our projects in time and prescribed budgets,

if we fail to do so our revenue and profitability may be materially and adversely affected. We may be unable to anticipate and react to the increase in cost of medical equipment in the future, or may be unable to pass on these cost increases to our customers, which could materially and adversely affect our profitability.

**7. *Any delays in the completion of our current and future projects could lead to termination of work orders or cost overruns, which could have an adverse effect on our cash flows, business, results of operations and financial condition.***

Our customers generally provide for a timeline for the completion of the projects within a specified days from the site handover. We provide the customers security deposits for completion of the projects within a specified timeframe. Subject to certain customary exceptions such as (i) occurrence and continuance of force majeure events that are not within the control of the party, or (ii) delays that are caused due to reasons solely attributable to the customers like delays in providing the site, thus, any failure to adhere to contractually agreed timelines or extended timelines could require us to pay liquidated damages as stipulated in the tenders and appropriation of the bank guarantee or performance security. The client may also be entitled to terminate the work order in the event of delay in completion of the work if the delay is not on account of any of the agreed exceptions. In the event of termination of any of our projects for such reasons, we may not receive the complete payments under such agreements and such payments may be less than our estimated cash flows from such projects. Further, we may not be able to obtain extensions for projects on which we face delays or time overruns. In addition to the risk of termination, delays in completion may result in ineligibility for applying for the new tenders with the same entities. There can be no assurance that delays will not occur in the future and any such delays could have adverse effects on our cash flows, business, results of operations and financial condition.

**8. *Certain of our properties, including the Registered Office, Branch Office and Warehouse are leased from our promoters, directors and third parties. There can be no assurance that these lease agreements will be renewed upon termination or that we will be able to obtain other premises on lease on same or similar commercial terms.***

Our Company's Registered Office, Branch office and warehouse have been taken on leave and license or rental basis either from our Promoters, directors and third parties. For further details, see "Our Business" on page 117.

All these premises have been taken on leave and license or rental basis for a fixed period of time. We cannot assure you that we will be able to fully comply with all the terms of the leave and license or rent agreements, renew such agreements or enter into new agreements in the future, on terms favorable to us, or at all. Further, generally the licensors are entitled to terminate the agreements prior to the end of their tenure including due to our non-compliance with its terms or non-payment of licensees or rent for over a specified period. We may also face the risk of being evicted in the event that our landlords allege a breach on our part of any terms under these leave and license/rent agreements and there is no assurance that we will be able to identify suitable locations to re-locate our operations. Although no such incidents have occurred in the past, we cannot assure you that such instances will not occur in future. In the event such incidents occur, our business, financial condition and results of operation may be adversely affected.

Further, we have procured a land situated at Sanand, Gujarat on lease for a period of 99 years. At present, we have executed a license agreement with GIDC dated May 12, 2021, under which we are required to complete construction of a building on the land within a period of 3 years post which a formal lease deed will be executed with the GIDC. Under the terms of the license agreement and other ancillary documents, we are required to, among other things, utilize the land for the specified end-use, permitted by GIDC. In addition, we are required to obtain the approval of the GIDC for, among other things: (i) any modifications to existing buildings or structures; and (ii) sub-lease/sub-letting of the property. Further, if we are unable to comply with the conditions of use of such land or any other condition as mentioned in the license agreement, GIDC has the right to terminate the license agreement, which may adversely affect our business, operations and financial condition.

**9. *We are required to obtain, renew or maintain certain statutory and regulatory permits and approvals required to operate our business and if we fail to do so in a timely manner or at all and our business, financial conditions, results of operations, and cash flows may be adversely affected.***

We require certain statutory and regulatory licenses, registrations and approvals to operate our business, some of which our Company has either received, applied for or is in the process of application. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Non-renewal of the said permits and licenses would adversely affect our operations, thereby having a material adverse effect on our business, results of operations and financial condition. There can be no assurance that the relevant authorities will renew such licenses, registrations and approvals in a timely manner or at all.

Furthermore, in the past our Company was not registered under the Employees' Provident Fund Act & Employees' State Insurance Act, 1948 and did not make payments of contribution, as applicable thereunder, when it was a partnership firm. Though our Company has presently obtained the requisite registrations, there can be no assurance that our Company, our directors and our officers will be made liable for penalties for such non-compliance in the past.

Further, these licenses, registrations and approvals are subject to several conditions, and we cannot assure that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, and this may lead to cancellation, revocation or suspension of relevant licenses, approvals and registrations. Failure by us to renew, maintain or obtain the required licenses or approvals, or cancellation, suspension, or revocation of any of the licenses, approvals and registrations may result in the interruption of our operations and may have a material adverse effect on our business, results of operations and financial condition. For further details of the approvals yet to be obtained by us, and please see the chapter titled "Government and Other Statutory Approvals" beginning on page 243.

***10. We derive a significant portion of our revenue from the state of Rajasthan and any adverse developments in these market could adversely affect our business.***

We are currently dealing in medical equipment which are supplied to different private and government hospitals, medical colleges, AIIMS, diagnostic and medical service providers in different part of the country. However, during the Fiscal 2021 and 2022, we derived more than 50% of our revenue primarily from the business of the setting up of ICUs and Operation theatres which is currently concentrated in Rajasthan only. Accordingly, any materially adverse social, political or economic development, natural calamities, civil disruptions, regulatory developments or changes in the policies of the state or local government in this region could adversely affect our business activities, result in modification of our business strategy, which will in turn have a material adverse effect on our business, financial condition & results of operations.

Further, our sales from these region may decline as a result of increased competition, regulatory action, pricing pressures, fluctuations in the demand for or supply of our products or services, or the outbreak of an infectious disease such as COVID-19. Our failure to effectively react to these situations in these markets could adversely affect our business, prospects, results of operations, financial condition, and cash flows. The occurrence of, or our inability to effectively respond to, any such events or effectively manage the competition in the region, could have an adverse effect on our business, results of operations, financial condition, cash flows and future business prospects.

***11. We operate in a highly competitive industry and increased competition may lead to a reduction in our revenues, reduced profit margins or a loss of market share.***

Our success depends on our ability to anticipate, understand and address the preferences of our existing and prospective customers as well as to understand evolving industry trends and our failure to adequately do so could adversely affect our business. Further, if the quality of our services deteriorates, our reputation and business may suffer. Our competitors may successfully attract our customers by matching or exceeding what we offer. Further some of our competitors may have more resources and experience than us.

Among other things, our competitors may:

- have presence, or expand their presence, in higher number of geographic markets than we are present in;
- reduce, or offer discounts on, their prices for similar products;
- attract or retain a key managerial or sales personnel with relationships with a key customer or confidential information regarding our business and growth plans;
- be able to source medical equipment at more competitive prices;
- benefit from a wider range of products and services and a broader customer base needed to bring competitive solutions to the market;
- possess greater financial resources than we do, and may be able to devote greater resources to pricing and promotional programs.

If any or a combination of the foregoing factors occur, we may not be able to maintain our growth rate and our revenues and operating margins may decline. We cannot assure you that we will continue to effectively compete with our competitors in the

future, and our inability to compete effectively could affect our ability to retain our existing customers or attract new customers, which may in turn materially and adversely affect our business, financial condition, results of operations and prospects. Also, see “Our Business” on page 103.

**12. We depend on the skills and experience of our senior management and other key personnel with technical expertise and the loss of any of those personnel or the inability to attract and retain qualified personnel could materially and adversely affect our business and operations.**

Our success depends to a large extent upon the continued efforts and services of our senior management team as well as other key personnel with technical expertise, and we rely significantly on their experience. For details of our senior management and Key Managerial Personnel, see “Our Business” and “Management—Key Managerial Personnel” on pages 103 and 141, respectively. We could be adversely affected by the loss of any of our senior management or such other key personnel. In an event of their retirement or departure, we cannot assure you that we will be able to find suitable replacements with similar experience and skills. The market for such qualified professionals is competitive and we may not continue to be successful in our efforts to attract and retain qualified people. Our success also depends, in part, on key customer relationships of our senior management. We cannot assure you that we will be able to continue to maintain key customer relationships or renew them in case of loss of any of the senior management. If we are unable to retain these members of our senior management, our business, financial condition, results of operations and prospects may be adversely affected.

**13. If we fail to undertake maintenance works or if there is any deficiency in the services regarding these works by us, we may be subject to penalties or even termination of our contracts, which may have a material adverse effect on our reputation, business, financial condition, results of operations and cash flows.**

Under our ICU and Operation theatre set-up business, we also provide comprehensive service & maintenance for the healthcare equipment installed by our company under the turnkey setup. As per the terms of the work order, we are required to provide after sales service and support activities for a definite period of time ranging from 3-5 years i.e. the warranty period. This require us to carry out repair or maintenance for various factors which may include accidents and other factors beyond our control. Though, we generally secure similar warranties from the equipment manufacturer for the equipment but the ultimate responsibility for rectification of the deficiency remains with our Company. If we fail to maintain the equipment as set forth in the relevant tenders and compliance with the industry standards, we may be subject to penalties, withhold of the future payments and the security deposit.

Further, after the completion of the warranty period, the customer has an option to enter into further comprehensive service and maintenance for the healthcare equipment’s for which separate fees are agreed between the customer and our company in the initial work order. The service and maintenance costs of our projects may increase due to factors beyond our control. Any significant increase in these service and maintenance costs beyond the agreed fees may reduce our profitability or any failure by us to meet desired service standards could expose us to penalties and could have an adverse effect on our business, financial condition and results of operations.

**14. Our Company have certain pending statutory dues which are in dispute as of March 31, 2022.**

Our Company is generally regular in depositing the undisputed statutory dues including Provident Fund, Employees' State Insurance, cess and other material statutory dues applicable to them except for the following which are pending in dispute proceedings before relevant authorities as of March 31, 2022:

(Amt. in ₹Lakhs)

| Particulars                    | March 31, 2022 |
|--------------------------------|----------------|
| Tax Deducted at Source         | 1.90           |
| Disputed VAT & CST liabilities | 1.11           |

**15. Our results of operations are likely to vary from year to year and be unpredictable, which could cause the market price of the Equity Shares to decline.**

Our results of operations may vary from year to year due to various factors, and we expect that this trend may continue. You should not rely on our past financial results for any year as indicators of future performance. Our results of operations in any given year can be influenced by a number of factors, many of which are outside of our control and may be difficult to predict, including:

- the number of new projects bids and procured by us;
- the number of projects completed during the period;
- political and economic conditions, in the country and particularly the places where we operate;
- non-availability of the required medical equipment;
- changes in the competitive landscape in which we operate;
- government policies which may affect the pricing of medical services;

See also, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on page 207 for details on the factors affecting our financial results. All of these factors, in combination or alone could cause significant fluctuations in our results of operations. This variability and unpredictability could materially and adversely affect our results of operations and financial condition.

**16. We are subject to strict quality requirements and any failure by us to comply with quality standards may lead to cancellation of existing and future orders, warranty claims and other disputes and claims.**

Under the ICU and operation theatre setup business we are subjected to adherence with the quality standards like placement of critical care beds, minimum requirement with regards to the availability of medical and diagnostic device required for treatment of patients, as imposed by the industry practices and our customers. Any failure by us to achieve or maintain compliance with these requirements or standards may adversely affect our ability to deliver the services to our customers. Our customers may terminate their contracts with us or choose our competitors over us if we fail to perform our contractual obligations or meet the quality or performance standards, which may in-turn harm our reputation. Failure by us to comply with applicable quality standards could also result in our medical equipment failing to perform as expected, or alleged to result in defects or any incorrect use by our customers. The occurrence of any such events could expose us to warranty or liability claims. Under the warranties provide, we may be required to bear costs and expenses for the repair or replacement of the medical devices. Further, the original supplier or manufacturer may also deny to cover such warranties in case of any negligence on our part, which may be enforced against us. In case of any breach, we may also become subject to legal proceedings and commercial or contractual disputes. Further, if we incur significant liabilities for which there is no or insufficient insurance coverage our business, financial condition and results of operations could be adversely affected.

**17. Some of our Group Entities operate in the same line of business as us, which may lead to competition with such Group Entities.**

Our Promoters are involved in ventures which are in the same line of business as our Company. Hence, we may have to compete with our Group Entities for business, which may impact our business, financial condition and results of operations. The interests of our Promoters may also conflict in material aspects with our interests or the interests of our Shareholders. Further, our Company and the group companies in the same line of business have not entered into any non-compete agreements. However, our Company will ensure necessary procedures and practices as permitted by laws and regulatory guidelines to address situations of conflict of interest as and when they arise. For further details, see “Our Group Companies” on page 148.

**18. Our Group Companies have incurred losses in the past.**

Our Group Companies namely Aprameya Engineering (India) Private Limited & Mecviz Endoscopy (I) Private Limited have incurred losses in the past. There can be no assurance that our Group Company will not continue to incur losses in the future. In addition, the operating expenses, including employee costs and interest expenses, may increase in the future due to various factors including expansion of operations, increased cost of funding, addition of human resources etc. As a result, any decrease or delay in generating additional revenue could result in substantial operating losses which would have an adverse effect on our results of operations and financial condition. Details of our group companies which have incurred losses after taxes, for the past three financial years are set out below.

| Company Name                                 | For the year ended (Amt in ₹ Lakhs) |                |                |
|--|-------------------------------------|----------------|----------------|
|  | March 31, 2021                      | March 31, 2020 | March 31, 2019 |
| Aprameya Engineering (India) Private Limited | 5.90                                | (2.39)         | 1.45           |
| Mecviz Endoscopy (I) Private Limited         | 0.47                                | (0.14)         | 0.22           |

**19. We sometimes rely on independent consultants to prepare the design for our turnkey projects and failure on part of these independent consultants may have an adverse effect on our business.**

We sometimes use the services of third party engineers and architects for the preparation of design and layouts for our ICU and OT set-up under the turnkey projects. These design and plans are then submitted to the customers for approvals which are subject to amendments or modification by the customers, based on their requirements and proposed plan. The design and plans prepared by these consultants may be disallowed or rejected by our customers which may require redrawing of project plans leading to delay in project execution. Further, the changes in the design and layout plans may require us to update the costs and time estimates as set-out in the tenders, which are subject to the consent received from the customers. In case we are unable to procure the said consent for change in the work order, we may be required to complete the work within the stipulated cost and time frame which may stretch our resources and affect our profitability and financial condition.

**20. Any failure of a consortium partner to perform its obligations could impose additional financial and performance obligations resulting in reduced profits and may have an adverse effect on our business, results of operations and financial condition.**

We enter into consortium agreements as part of our business and operations. The successful and timely completion of these tenders depends significantly on the satisfactory performance by our consortium partner and fulfilment of its obligations. If our partners fail to perform these obligations satisfactorily, we may be unable to perform adequately or deliver the services in time or at all. In such cases we may be required to make additional investments and/ or provide additional services to ensure the adequate performance and delivery of the services as we are subject to overall completion of the project. Such additional obligations could result in reduced profits or, in some cases, significant losses for us. The inability of a partner to continue with a project due to financial or legal difficulties could mean that we would bear increased and possibly sole responsibility for the completion of the project and bear a correspondingly greater share of the risk of the project. Further any disputes that may arise between us and our partners may cause delays in completion or the suspension or abandonment of the project. In the event that a claim, arbitration award or judgement is awarded, we may be responsible for the entire claim. While there have been no instances of any such nature in the past, we cannot assure that our relationships with our consortium partners in the future will be amicable or that we will have any control over their actions. The realization of any of these risks and other factors may have an adverse effect on our business, results of operations and financial condition.

**21. Our Promoters have provided guarantees for loans availed by us, and in the event the same is enforced against our Promoters, it could adversely affect our Promoters' ability to manage the affairs of our Company.**

Our Promoters and certain of their relatives have extended their personal guarantees and mortgaged their personal property to secure certain financial facilities availed by our Company. For details, see "Financial Indebtedness" on page 235. In the event of default on such financial facilities, any of these guarantees may be invoked by our lenders thereby adversely affecting our Promoters' networth ability to manage the affairs of our Company and this, in turn, could adversely affect our business, prospects, financial condition and results of operations. In addition, our Promoters may be required to liquidate their shareholding in our Company to settle the claims of the lenders, thereby diluting their shareholding in our Company. Further, if any of these guarantees are revoked by our Promoters, our lenders may require alternate securities or guarantees and may seek early repayment or terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital. Any such event could adversely affect our financial condition and results of operations.

**22. Our Company and our Directors are involved in certain legal proceedings, and an adverse outcome in any such proceedings may adversely affect our business, financial condition and growth prospects.**

Our Company, one of its Directors, and Group Companies are parties to certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts, tribunals and forums. Mentioned below are the details of the proceedings involving our Company, its Director and its Group Companies as on the date of this Draft Red Herring Prospectus along with the amount involved, to the extent quantifiable, based on the materiality policy for litigations, as approved by the Company in its Board meeting held on July 02, 2022:

| Sr. No. | Nature of Litigation | No. of Outstanding Litigations | Amount in dispute/demanded to the extent quantifiable |
|---------|----------------------|--------------------------------|---|
|---------|----------------------|--------------------------------|---|

|             |   |    | [₹ in lakhs] |
|-------------|---|----|--------------|
| <b>I.</b>   | <b>Litigation filed against our Company</b>         |    |              |
| (a)         | Litigation Involving Direct Tax Liabilities         | 13 | 4.51         |
| (b)         | Litigation Involving Indirect Tax Liabilities       | 7  | 6.83         |
| <b>II.</b>  | <b>Litigations filed by our Directors</b>           |    |              |
| (a)         | Other Pending Litigations                           | 1  | 2.86         |
| (b)         | Litigation Involving Direct Tax Liabilities         | 1  | 0.02         |
| <b>III.</b> | <b>Litigation filed against our Group Companies</b> |    |              |
| (a)         | Litigation Involving Direct Tax Liabilities         | 7  | 0.71         |
| (b)         | Litigation Involving Indirect Tax Liabilities       | 3  | 0.20         |

There can be no assurance that these litigations will be decided in favour of our Company, its Director and our Group Companies, respectively, and consequently it may divert the attention of our management and waste our corporate resources and we may incur significant expenses in such proceedings and may have to make provisions in our financial statements, which could increase our expenses and liabilities. If such claims are determined against us, there could be a material adverse effect on our reputation, business, financial condition and results of operations, which could adversely affect the trading price of our Equity Shares. For the details of the litigations, please refer the chapter titled “Outstanding Litigations and Material Developments” beginning on page 237 of this Draft Red Herring Prospectus.

**23. We are dependent on third party transporters for the delivery of medical equipment and are exposed to the risk of disruption in their operations or a decrease in the quality of their services.**

We use third party transporters in our operations. Our success depends on the smooth supply and transportation of medical equipment, which is subject to various risks, uncertainties and other hazards beyond our control such as unavailability of mode of transport, accidents, adverse weather conditions, strikes and civil unrest, which could adversely affect timely delivery of the medical equipment to the customer or project sites. In addition, these medical equipment are delicate and highly sophisticated which maybe lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. Additionally, if we lose one or more of our transportation providers, we may not be able to obtain terms as favourable as those we receive from those that we currently use, which in turn would increase our costs and adversely affect our operating results. Further, if our transportation providers do not carry sufficient insurance coverage, any losses that may arise during the transportation process will have to be claimed under our insurance policies. We cannot assure you that we will receive compensation for any such claims in a timely manner, or at all, which may adversely affect our business, cash flows, financial condition and results of operations. As a result, in the event there is any disruption in the timely receipt of the medical equipment, our business, cash flows and results of operations may be adversely affected.

**24. We are yet to receive registrations in connection with the protection of our intellectual property rights. Such failure to protect our intellectual property rights could adversely affect our competitive position, business, financial condition and profitability.**

Our success depends on our ability to protect our intellectual property and obtain registration of other intellectual property. As on the date of this Draft Red Herring Prospectus, we have applied for 2 trademarks for registration in our name. However, there can be no assurance that the said applications will succeed. If our Company is unable to obtain registration thereof, we may still continue to use the trademarks, but will remain vulnerable to infringement and passing-off by third parties and will not be able to enforce any rights against them. If any of our unregistered intellectual property are registered in favour of a third party, we may not be able to claim registered ownership of such rights and we may be required to change our logo which may adversely affect our reputation and business and could require us to incur additional costs. There can be no assurance that our intellectual property will not be copied, infringed or obtained by third parties. Further, our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. This may lead to litigations and any such litigations could be time consuming and costly and their outcome cannot be guaranteed. Our Company may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property, which may adversely affect our business, financial condition and results of operations. For further details pertaining to our intellectual property, please refer to the chapter titled “Our Business” beginning on page 116 of this Draft Red Herring Prospectus.

**25. *Our business is working capital intensive. If we experience insufficient cash flows from our operations or are unable to borrow to meet our working capital requirements, it may materially and adversely affect our business and results of operations.***

Our business requires significant amount of working capital primarily as we are required to provide security deposit and earnest money deposit for the ICU and OT setup projects and time gap between the collection of receivables post sales to customers. Consequently, there could be situations where the total funds available may not be sufficient to fulfil our commitments and hence we may need to incur additional indebtedness in the future, or utilize internal accruals to satisfy our working capital needs. Our future success depends on our ability to continue to secure and successfully manage sufficient amounts of working capital. Further, our ability to arrange financing and the costs of capital of such financing are dependent on numerous factors, including general economic and capital market conditions and credit availability from banks. As we pursue our growth plan, we may be required to raise additional funds by incurring further indebtedness or issuing additional equity to meet our capital expenditures in the future. If we experience insufficient cash flows or are unable to borrow funds on a timely basis, or, at all, to meet our working capital and other requirements, or to pay our debts, it could materially and adversely affect our business and results of operations. Further, there can be no assurance that we will be able to effectively manage our working capital. Should we fail to effectively implement sufficient internal control procedures and management systems to manage our working capital and other sources of financing, we may have insufficient capital to maintain and grow our business and we may breach the terms of our financing agreements with banks, face claims under default provisions and be unable to obtain new financing, any of which would have a material adverse effect on our business, results of operations, financial condition, and cash flows. For further information on the working capital facilities currently availed of by us, see “Financial Indebtedness” beginning on page 235 of this Draft Red Herring Prospectus.

**26. *Any unsecured loans taken by our Company may be recalled demand.***

We avail of unsecured loans, including working capital loans, some of them may be recalled at any time at the option of the lender. As on March 31, 2022, the unsecured loan taken by our company amounts to ₹ 1245.77 lakhs, majority of which have been taken from our Promoters. There can be no assurance that the lenders will not recall such borrowings or if we will be able to repay loans advanced to us in a timely manner or at all. In the event that any lender seeks a repayment of any such loan, we would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. As a result, if such unsecured loans are recalled at any time, it may adversely affect our financial condition and results of operations.

**27. *We are susceptible to risks relating to compliance with various labour, workplace and related laws.***

We are subject to stringent labour laws and regulations including those governing detailed procedures for the dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. We are also subject to laws and regulations governing relationships with employees in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and termination of employees and work permits. For certain operations and processes, we engage casual labour. Engagement of such labour is regulated by applicable labour laws in India and we could be held responsible for labour benefits and contributions. Any adverse decision by a regulatory body or court requiring us to employ such labour may adversely affect our business and operating margins.

Further, work stoppages due to strikes or other events could result in slowdowns or closures of our operations which may adversely affect our ability to perform our business operations. While we have not experienced any strikes or labour unrest in the past, we cannot assure you that we will not experience work disruptions in the future due to disputes or other problems with our employees. Furthermore, amendments to labour laws could adversely affect our business, operating costs and margins. In the event the welfare requirements under labour laws and regulations applicable to us change in a manner that requires us to increase payment of employee benefits, we cannot assure you that we will be able to recover such increased labour and compliance costs from our customers, which may adversely affect our business, operations, cash flows and results of operations.

**28. *We have incurred significant indebtedness, and an inability to comply with repayment and other covenants in our financing agreements could adversely affect our business and financial condition.***

As at March 31, 2022, our total borrowings, as per the restated financial statement, were ₹ 1368.28 lakhs. Majority of the secured loan facilities which our company have availed are from Punjab National Bank. Any significant increase in our finance cost as a result of fluctuations in interest rates may adversely affect our business and financial condition. Since the interest rates

on certain of our borrowings may be subject to changes based on the prime lending rate of the respective bank lenders, such borrowings may be subject to renegotiation and/or escalation on a periodic basis. Any future performance issues which may in turn lead to an increase in our borrowing costs and constrain our access to funds and debt markets and, as a result, may adversely affect our business growth. If we cannot obtain alternative sources of financing or our costs of borrowings become significantly more expensive, our business and financial condition could be adversely affected.

Moreover, the agreements governing certain of our debt obligations include terms that, in addition to certain financial covenants, restrict our ability to, inter alia, without the prior consent of lenders:

- make any changes to our capital structure, ownership or control;
- make any drastic changes to our management operations;
- formulate any scheme of amalgamation or reconstruction or expansion/diversification/ modernization
- making investment in associate/ allied/ group concern.
- pledge of shares to any bank/ NBFC/ Institution.

Undertaking any of the above without the consent of our lenders or non-compliance with any of the covenants of our financing agreements could trigger an event of default which will entitle the respective lenders to enforce remedies under the relevant terms of the financing agreements, that include, among other things, acceleration in repayment of the amounts outstanding under the financing agreements, enforcement of any security interest created under the financing agreements. Further, we cannot assure you that we will be able to obtain approvals to undertake any of these activities as and when required or that we will be able to comply with such covenants or other covenants in the future. A default by us under the terms of any financing agreement may trigger a default under our financing agreements which may, individually or in aggregate, adversely affect our operations, financial position and credit rating. For details of our borrowings, see “Financial Indebtedness” on page 235.

Further, as part of our business, we are required to provide financial and performance bank guarantees in favour of our clients under the respective contracts for our projects. For our projects, we typically issue bank guarantees to the relevant authority from whom we receive the work order as a security deposit. These guarantees are typically required to be furnished within a few days of the acceptance of the work order. We may not be able to continue obtaining new bank guarantees in sufficient quantities to match our business requirements. If we are unable to provide sufficient collateral to secure these bank guarantees, our ability to enter into new work orders could be limited and could have an adverse effect on our business, results of operations and financial condition. Providing security to obtain bank guarantees also increases our working capital requirements. As of March 31, 2022, we had issued bank guarantees amounting to ₹ 265.50 Lakhs towards securing our financial/ performance obligations under our projects. We may not be able to fulfil any or all of our obligations under the contracts entered into by us in relation to our ongoing projects due to unforeseen circumstances which may result in a default under our work order resulting in invocation of the bank guarantees issued by us. If any or all the bank guarantees are invoked, it may result in a material adverse effect on our business and financial condition. Also see, “Risk Factors – Our contingent liabilities could adversely affect our financial condition if they materialize.” on page 38.

***29. Our insurance coverage may not be adequate to protect us against all material risks.***

Our principal types of insurance coverage include among others, standard fire and special perils insurance policies, burglary insurance policies, vehicle policy and employees personal accident policy. We cannot assure you that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have taken out sufficient insurance to cover all our losses. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at acceptable cost, or at all.

To the extent that we suffer loss or damage, or successful assertion of one or more large claims against us for events for which we are not insured, or for which we did not obtain or maintain insurance, or which is not covered by insurance, exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, financial performance and cash flows could be adversely affected. Also see “Our Business” on page 116.

***30. Our contingent liabilities could adversely affect our financial condition if they materialize.***

According to our Company’s Restated Financial Information, as at March 31, 2022, our Company’s contingent liabilities that have not been provided for are as set out in the table below.

(Amt. in ₹ lakhs)

| Particular                       | March 31, 2022 | March 31, 2021 | March 31, 2020 |
|----------------------------------|----------------|----------------|----------------|
| a) Liabilities Disputed          |                |                |                |
| - Disputed VAT & CST liabilities | 1.11           | 35.96          | 35.96          |
| - Tax Deducted at Source         | 1.90           | 3.70           | 3.67           |
| b) Bank Guarantees               | 265.50         | 131.70         | 122.75         |
| <b>Total</b>                     | <b>268.51</b>  | <b>171.36</b>  | <b>162.38</b>  |

If any of these contingent liabilities materialize, our results of operations and financial condition may be adversely affected. For further details, see “Restated Financial Statements” on page 187.

***31. Any variation in the utilization of the Net Proceeds as disclosed in this Draft Red Herring Prospectus shall be subject to certain compliance requirements, including prior approval of the shareholders of our Company.***

We propose to utilize the Net Proceeds towards utilization for the working capital requirement of our Company and general corporate purposes. For further details of the proposed objects of the Issue, see “Objects of the Issue” beginning on page 73. However, these objects of the Issue have not been appraised by any bank, financial institution or other independent agency. Further, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of the competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with the Companies Act, 2013 and the SEBI ICDR Regulations, we cannot undertake any variation in the utilization of the Net Proceeds as disclosed in this Draft Red Herring Prospectus without obtaining the approval of shareholders of our Company through a special resolution. In the event of any such circumstances that require us to vary the disclosed utilization of the Net Proceeds, we may not be able to obtain the approval of the shareholders of our Company in a timely manner, or at all. Any delay or inability in obtaining such approval of the shareholders of our Company may adversely affect our business or operations. Further, our Promoters would be required to provide an exit opportunity to the shareholders of our Company who do not agree with our proposal to modify the objects of the Issue, at a price and manner as prescribed by SEBI. Additionally, the requirement to provide an exit opportunity to such dissenting shareholders of our Company may deter our Promoters from agreeing to the variation of the proposed utilization of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoter will have adequate resources at their disposal at all times to enable them to provide an exit opportunity. In light of these factors, we may not be able to vary the objects of the Issue to use any unutilized proceeds of the Issue, if any, even if such variation is in the interest of our Company. This may restrict our Company’s ability to respond to any change in our business or financial condition, if any, which may adversely affect our business and results of operations.

***32. There are other interests of our Promoters and our Directors in our Company, other than normal remuneration or benefits or reimbursement of expenses incurred.***

Our Promoters and/or are interested in our Company to the extent of their respective shareholding in our Company and the dividends and other distributions thereon, the shareholding of their relatives in our Company and the dividends payable, if any, and any other distributions in respect of the Equity Shares held by them or their relatives, and the remuneration, sitting fees or reimbursement of expenses payable by our Company to them. Further, our Promoters may be deemed to be interested to the extent of the license fees and rent received by them from the properties taken on leave and license and rent by our Company from them. We cannot assure you that our Promoters or Directors, if they are also our shareholders, will exercise their rights as shareholders to the benefit and best interest of our Company. For further details, see “Capital Structure”, “Our Promoters and Promoter Group” and “Our Management” on pages 63, 144 and 129 respectively.

***33. Our Promoters will continue to retain certain influence over our Company after completion of the Issue, which will allow them to influence the outcome of matters submitted for approval of our Shareholders.***

The aggregate pre-issue shareholding of our Promoters, as on the date of this Draft Red Herring Prospectus is 98.57% of the issued, subscribed and paid-up Equity Shares. For details, see “Capital Structure” on page 63. Consequently, our Promoters will continue to exercise influence over the Company after completion of the Issue, including being able to control the composition of our Board of Directors and determine decisions requiring majority voting, and the other shareholders may be unable to affect the outcome of such voting. Our Board composition shall at all times remain compliant with the applicable provisions of the Companies Act and the SEBI Listing Regulations. However, there can be no assurance that the continuing right of our Promoters for representation on our Board will not be considered as a special right by any of our present or future

Shareholders. Our Promoters may, in the future, take or block actions with respect to our business which may conflict with our best interests or the interests of other minority Shareholders, such as actions with respect to future capital raising. They could delay, defer or cause a change of our control or a change in our capital structure, a merger, consolidation, takeover or other business combination involving us or discourage or encourage a potential acquirer from acquiring us. We cannot assure you that our Promoters will always act to resolve any future conflicts of interest in our favour, thereby adversely affecting our business, results of operations and prospects.

***34. Fraud, theft, employee negligence or similar incidents may adversely affect our results of operations and financial condition.***

Our operations may be subject to incidents of theft or damage to inventory in transit and prior to or during warehouse stocking. Our business may also encounter some inventory loss on account of employee theft, vendor fraud and general administrative errors. While we have never experienced any such instance in the past, there can be no assurance that we will not experience any fraud, theft, employee negligence, security lapse, loss in transit or similar incidents in the future, which could adversely affect our results of operations and financial condition. Additionally, losses due to theft, fire, breakage or damage caused by other casualties, could adversely affect our results of operations and financial condition.

***35. We are subject to the risk of failure of, or a material weakness in, our internal control systems.***

We are exposed to risks arising from the inadequacy or failure of internal systems or processes, and any actions we may take to mitigate these risks may not be sufficient to ensure an effective internal control environment. Errors may be repeated or compounded before they are discovered and rectified. Our management information systems and internal control procedures may not be able to identify non-compliance in a timely manner, or at all. Where internal control weaknesses are identified, our actions may not be sufficient to fully correct such weaknesses. In addition, several of our business processes are yet to be fully automated, which may increase the risk that human error, tampering or manipulation will result in losses that may be difficult to detect. As a result, we may incur expenses or suffer monetary losses, which may not be covered by our insurance policies and may adversely affect our business, financial condition and results of operations.

***36. We have entered into related party transactions in the past with our Promoters, relatives of our Promoters, Directors, and enterprises over which our Directors have a significant influence. Any future transactions with related parties may potentially involve conflicts of interest.***

We have in the past entered into transactions with our Promoters, relatives of our Promoters, Directors, and enterprises over which our Directors have a significant influence. It is likely that we may enter into transactions with related parties in the future. Although going forward, all material related party transactions that we may enter into, will be subject to the Board's or Shareholders' approval, as necessary under the Companies Act and the SEBI Listing Regulations, we cannot assure you that such transactions, individually or in the aggregate, will not adversely affect our financial condition and results of operations or that we would achieve more favourable terms if such transactions are entered into with unrelated parties. Such related party transactions may potentially involve conflicts of interest. For details of Related Party Disclosures, see Note 38 included in the Restated Financial Information in "Restated Financial Statements" on page 152.

***37. Our funding requirements and proposed deployment of the Net Proceeds are based on management's estimates and may be subject to change based on various factors, some of which are beyond our control.***

The objects of the Issue include funding working capital requirements of our Company, which are based on certain assumptions and estimates and such working capital requirements may not be indicative of the actual requirements of our Company. The objects of the Issue include funding working capital requirements of our Company, which are based on management estimates and certain assumptions in relation to inter alia sales of our company in the future, the cost and holding periods of inventories of materials etc. For details, see "Objects of the Issue" on page 73.

Also, our working capital requirements may be subject to change due to factors beyond our control including force majeure conditions, an increase in defaults by our customers, availability of funding from banks or financial institutions. Accordingly, such working capital requirements may not be indicative of the actual requirements of our Company in the future and investors are advised to not place undue reliance on such estimates of future working capital requirements.

**38. *This Draft Red Herring Prospectus contains information from industry sources including the industry report commissioned from Reports and Data. Investors are advised not to place undue reliance on such information.***

This Draft Red Herring Prospectus includes information derived from third party industry sources and from a report dated August 19, 2022, titled “ICU Set-Up And Maintenance Market Report” prepared by Reports and Data, which has been commissioned, and paid for, by our Company for the purposes of confirming our understanding of the ICU and OT set-up and medical equipment industry exclusively in connection with the Issue. Our Company, our Promoters, our Directors and the BRLM have not independently verified the information in the report and other information under “Industry Overview” on page 85. Further, the reports use certain methodologies for market sizing and forecasting. There are no standard data gathering methodologies in the markets in which we operate, and methodologies and assumptions vary widely among different industry sources. Such assumptions may change based on various factors. We cannot assure you that such assumptions are correct or will not change and, accordingly, our position in the market may differ from that presented in this Draft Red Herring Prospectus. Further, the report or any other industry data or sources are not recommendations to invest in our Company. You should consult your own advisors and undertake an independent assessment of information in this Draft Red Herring Prospectus based on, or derived from, the ICU Set-Up And Maintenance Market Report. You are advised not to place undue reliance on the ICU Set-Up And Maintenance Market Report or extracts thereof as included in this Draft Red Herring Prospectus, when making your investment decision. Also, see “Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation” and “Industry Overview” on pages 17 and 85, respectively.

**39. *We have issued Equity Shares at prices that may be lower than the Issue Price in the last 12 months.***

We have issued and allotted (i) 70,00,000 Equity Shares on conversion of partnership to company on incorporation (December 28, 2021); and (ii) 70,00,000 Equity Shares as Bonus Issue on August 06, 2022, which may be lower than the Issue Price. For further details, please see “Capital Structure” beginning on page 63 of this Draft Red Herring Prospectus. The Issue Price of the Equity Shares will be determined by our Company in consultation with the Book Running Lead Manager through the Book Building Process. Issue price will be based on numerous factors, as described under “Basis for Issue Price” on page 79 and the prior issue and allotment price may not be indicative of the Issue price or market price for the Equity Shares after the Issue.

**40. *Significant differences exist between Ind AS and other accounting principles, such as Indian GAAP, U.S. GAAP and IFRS, which investors may be more familiar with and may consider material to their assessment of our financial condition which may be material to investors’ assessments of our financial condition, result of operations and cash flows***

Our Company was incorporated as partnership firm which was later converted into a Private Limited Company dated December 28, 2021. Accordingly the audited financial statements until December 27, 2021 were prepared in accordance with a partnership firm. For the purpose of this Draft Red Herring Prospectus, the restated financial information as at and for the year ended March 31, 2022, 2021 and 2020, have been prepared as per recognition and measurement principles under Indian Accounting Standards notified under Section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

Ind AS differs from other accounting principles with which prospective investors may be familiar, such as Indian GAAP, IFRS and U.S. GAAP. Accordingly, the degree to which the financial statements, which are restated in accordance with the SEBI ICDR Regulations, included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Ind AS. Persons not familiar with Ind AS should limit their reliance on the financial disclosures presented in this Draft Red Herring Prospectus.

**41. *Certain of our investments may be subject to market risk and we have not made any provisions for a decline of the value of such investments.***

We have made certain investments such as investments in property. As at March 31, 2022, the value of these investments measured through profit or loss was ₹ 7.81 lakhs (excluding fixed deposits), which constituted 0.54% of our total net worth. The value of these investments depends on several factors beyond our control, including the prevailing Indian and international economic conditions, inflationary expectations and the RBI’s monetary policies. We have not made any provision for any decline value of these investments. Any decline in the value of these investments could adversely affect our financial condition and results of operations.

**42. *The objects of the Issue have not been appraised by any bank or financial institution and we have not entered into definitive agreements in relation to all of our objects of the Issue. Consequently, any increase in the actual deployment of funds may cause an additional burden on our finance plans.***

The fund requirement mentioned as a part of the objects of the Issue is based on internal management estimates and has not been appraised by any bank or financial institution. This is based on current conditions and is subject to change in light of changes in external circumstances, costs, other financial condition or business strategies and our actual expenditure could be higher than our management estimates. As a consequence of any increased costs, our actual deployment of funds may be higher than our management estimates and may cause an additional burden on our finance plans, as a result of which, our business, financial condition, results of operations and cash flows could be materially and adversely impacted. Further, in case our Issue size exceeds ₹ 1,000 million, we may be required to appoint a monitoring agency under the SEBI ICDR Regulations. In case no monitoring agency is appointed, the deployment of the Net Proceeds will be at the discretion of our Company and is not subject to any monitoring by any independent agency. We cannot assure you that we will be able to monitor and report the deployment of the Net Proceeds in a manner similar to that of a monitoring agency. In case there is any lapse in the utilization of the IPO proceeds our company may be subjected to penal provisions which could materially and adversely affect our reputation and financial position.

**43. *We cannot assure payment of dividends on the Equity Shares in the future.***

While our declaration of dividends is at the discretion of our Board and subject to Shareholder approval as set out in the section “Dividend Policy” on page 151, the amount of future dividend payments by our Company, if any, will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditures, applicable Indian legal restrictions and other factors. Our Company may decide to retain all of its earnings to finance the development and expansion of its business and therefore, we may not declare dividends on the Equity Shares. Additionally, we may, in the future, be restricted by the terms of our loan agreements to make any dividend payments unless otherwise agreed with our lenders.

**44. *We have in this DRHP included certain non-GAAP financial measures and certain other industry measures related to our operations and financial performance. These non-GAAP measures and industry measures may vary from any standard methodology that is applicable across the Indian retailing industry, and therefore may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies.***

Certain non-GAAP financial measures and certain other industry measures relating to our operations and financial performance have been included in this Draft Red Herring Prospectus. We compute and disclose such non-GAAP financial measures and such other industry related statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of Indian retailing industry, many of which provide such non-GAAP financial measures and other industry related statistical and operational information. Such supplemental financial and operational information is therefore of limited utility as an analytical tool, and investors are cautioned against considering such information either in isolation or as a substitute for an analysis of our audited financial statements as reported under applicable accounting standards disclosed elsewhere in this Draft Red Herring Prospectus. These non-GAAP financial measures and such other industry related statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and industry related statistical information of similar nomenclature that may be computed and presented by other companies. For further information, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on page 207.

## **External Risk Factors**

**45. *A slowdown in economic growth in India could adversely affect our business.***

The structure of the Indian economy has undergone considerable changes in the last decade. These include increasing importance of external trade and of external capital flows. Any slowdown in the growth of the Indian economy or any future volatility in global commodity prices could adversely affect our business, financial condition and results of operations. India’s economy could be adversely affected by a general rise in interest rates, fluctuations in currency exchange rates, adverse conditions affecting the economy. Further, conditions outside India, such as slowdowns in the economic growth of other

countries, could have an impact on the growth of the Indian economy and government policy may change in response to such conditions. The Indian economy and financial markets are also significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States, Europe or China or Asian emerging market countries, may have an impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss of investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets, and could have an adverse effect on our business, financial condition and results of operations and the price of the Equity Shares.

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

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located elsewhere, including India. Adverse economic developments, such as rising fiscal or trade deficit, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. Any of these factors could affect economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition and results of operations and reduce the price of our Equity Shares. We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Consequently, any future slowdown in the Indian economy could harm our business, results of operations and financial condition. Also, a change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

***47. The occurrence of natural or man-made disasters or outbreak of global pandemics, such as the COVID-19 pandemic, could adversely affect our results of operations, cash flows and financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.***

Natural disasters (such as typhoons, flooding and earthquakes), epidemics, pandemics such as COVID-19, acts of war, terrorist attacks and other events, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn materially and adversely affect our business, financial condition and results of operations. Our operations may be adversely affected by fires, natural disasters and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may require us to evacuate personnel and suspend operations. Any terrorist attacks or civil unrest as well as other adverse social, economic and political events in India or countries to who we export our products could have a negative effect on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the price of the Equity Shares.

***48. A downgrade in ratings of India, may affect the trading price of the Equity Shares.***

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. Any adverse revisions to credit ratings for India and other jurisdictions we operate in by international rating agencies may adversely impact our ability to raise additional financing. This could have an adverse effect on our ability to fund our growth on favourable terms and consequently adversely affect our business and financial performance and the price of the Equity Shares.

***49. Financial instability in other countries may cause increased volatility in Indian financial markets.***

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Financial turmoil in Asia, Russia and elsewhere in the world in recent years has adversely affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows. Further, economic

developments globally can have a significant impact on our principal markets. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy. Any significant financial disruption could have a material adverse effect on our business, financial condition and results of operation. These developments, or the perception that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital. This could have a material adverse effect on our business, financial condition and results of operations and reduce the price of the Equity Shares.

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

The regulatory environment in which we operate is evolving and is subject to change. The GoI may implement new laws or other regulations that could affect the industry in which we operate, which could lead to new compliance requirements. New compliance requirements could increase our costs or otherwise adversely affect our business, financial condition and results of operations. Further, the manner in which new requirements will be enforced or interpreted can lead to uncertainty in our operations and could adversely affect our operations. Accordingly, any adverse regulatory change in this regard could lead to fluctuation of prices and thereby increase our operational cost. For details on the laws applicable to us, please see “Key Regulations and Policies in India” on page 119.

The Income Tax Act, 1961 (“IT Act”) was amended to provide domestic companies an option to pay corporate income tax at the effective rate of approximately 25.17% (inclusive of applicable surcharge and health and education cess), as compared to effective rate of 34.94% (inclusive of applicable surcharge and health and education cess), provided such companies do not claim certain specified deductions or exemptions. Further, where a company has opted to pay the reduced corporate tax rate, the minimum alternate tax provisions would not be applicable. Any such future amendments may affect our ability to claim exemptions that we have historically benefited from, and such exemptions may no longer be available to us. Any adverse order passed by the appellate authorities/ tribunals/ courts would have an effect on our profitability.

Earlier, distribution of dividends by a domestic company was subject to Dividend Distribution Tax (“DDT”), in the hands of the company at an effective rate of 20.56% (inclusive of applicable surcharge and health and education cess). Such dividends were generally exempt from tax in the hands of the shareholders. However, the Government of India has amended the IT Act to abolish the DDT regime. Accordingly, any dividend distributed by a domestic company is subject to tax in the hands of the investor at the applicable rate. Additionally, the Company is required to withhold tax on such dividends distributed at the applicable rate. In addition, unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations, and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs relating to compliance with such new requirements, which may also require management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent, may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future. Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals.

***51. If inflation were to rise in India, we might not be able to increase the prices of our services at a proportional rate in order to pass costs on to our clients thereby reducing our margins.***

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of transportation, wages, medical equipment prices and other expenses relevant to our business.

High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our clients, whether entirely or in part, and may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs

or to pass the increase in costs on to our clients. In such case, our business, results of operations, cash flows and financial condition may be adversely affected.

Further, the Government of India has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

***52. Investors may not be able to enforce a judgment of a foreign court against us, our Directors, the Book Running Lead Manager or any of their directors and executive officers in India respectively, except by way of a law suit in India.***

Our Company is a company incorporated under the laws of India and all of our Directors are located in India. All of our assets, our Key Managerial Personnel and officers are also located in India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons in jurisdictions outside India, or to enforce judgments obtained against such parties outside India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if that court was of the view that the amount of damages awarded was excessive or inconsistent with public policy, or if judgments are in breach or contrary to Indian law. In addition, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to execute such a judgment or to repatriate outside India any amounts recovered. Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908. India is not party to any international treaty in relation to the recognition or enforcement of foreign judgments. India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions. In order to be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements established in the Indian Code of Civil Procedure, 1908. The CPC only permits the enforcement and execution of monetary decrees in the reciprocating jurisdiction, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India, cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be directly enforceable in India. The party in whose favour a final foreign judgment in a non-reciprocating territory is rendered may bring a fresh suit in a competent court in India based on the final judgment within three years of obtaining such final judgment. However, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgments if it viewed the amount of damages as excessive or inconsistent with the public policy in India. Further, there is no assurance that a suit brought in an Indian court in relation to a foreign judgment will be disposed of in a timely manner. In addition, any person seeking to enforce a foreign judgment in India is required to obtain the prior approval of the RBI to repatriate any amount recovered, and we cannot assure that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approval would be acceptable.

***53. Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, in the jurisdictions in which we operate may adversely affect our business and results of operations.***

Our business, results of operations and financial condition could be materially adversely affected by changes in the laws, rules, regulations or directions applicable to us, or the interpretations of such existing laws, rules and regulations, or the promulgation of new laws, rules and regulations. For details on the laws applicable to us, please see “Key Regulations and Policies in India” on page 119.

The governmental and regulatory bodies may notify new regulations and/or policies, which may require us to obtain approvals and licenses from the government and other regulatory bodies, impose onerous requirements and conditions on our operations, in addition to those which we are undertaking currently. Any such changes and the related uncertainties with respect to the implementation of new regulations may have a material adverse effect on our business, results of operations and financial condition

In addition, any unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations, including foreign investment laws governing our business, operations and investments in our Company by non-residents, could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals.

The Government of India has notified four labour codes which are yet to completely come into force as on the date of this Draft Red Herring Prospectus, namely, (i) The Code on Wages, 2019, (ii) The Industrial Relations Code, 2020, (iii) The Code on Social Security, 2020 and (iv) The Occupational Safety, Health and Working Conditions Code, 2020. Such codes will replace

the existing legal framework governing rights of workers and labour relations. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and financial condition.

Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time-consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

## **RISKS RELATING TO THE EQUITY SHARES**

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

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

### ***55. The trading volume and market price of the Equity Shares may be volatile following the Issue.***

The market price of the Equity Shares may fluctuate as a result of, among other things, the following factors, some of which are beyond our control:

- quarterly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- a change in research analysts' recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- announcements by third parties or governmental entities of significant claims or proceedings against us;
- new laws and governmental regulations applicable to our industry;
- additions or departures of key management personnel;
- changes in exchange rates;
- fluctuations in stock market prices and volume; and
- general economic and stock market conditions.

Changes in relation to any of the factors listed above could adversely affect the price of the Equity Shares.

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

The Issue Price of the Equity Shares will be determined by our Company in consultation with the Book Running Lead Manager through the Book Building Process. This price will be based on numerous factors, as described under "Basis for Issue Price" on page 79 and may not be indicative of the market price for the Equity Shares after the Issue. The market price of the 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 resell their Equity Shares at or above the Issue Price. The Equity Shares have never been publicly traded and the Issue may not result in an active or liquid market for the Equity Shares. Further, the price of the Equity Shares may be volatile, and the investors may be unable to resell the Equity Shares at or above the Issue Price, or at all.

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

internal or external risks, including but not limited to those described in this Draft Red Herring Prospectus. A decrease in the market price of our Equity Shares could cause you to lose some or all of your investment.

***57. Investors may be subject to Indian taxes arising out of income arising on the sale of the Equity Shares.***

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares held as investments in an Indian company are generally taxable in India. Any capital gain realised on the sale of listed equity shares on a Stock Exchange held for more than 12 months immediately preceding the date of transfer will be subject to long term capital gains in India at the specified rates depending on certain factors, such as whether the sale is undertaken on or off the Stock Exchanges, the quantum of gains and any available treaty relief. Accordingly, you may be subject to payment of long term capital gains tax in India, in addition to payment of Securities Transaction Tax (“STT”), on the sale of any Equity Shares held for more than 12 months immediately preceding the date of transfer. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any capital gains realised on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will not be chargeable to tax in India in cases where relief from such taxation in India is provided under a treaty between India and the country of which the seller is resident and the seller is entitled to avail benefits thereunder. Generally, Indian tax treaties do not limit India’s ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

Similarly, any business income realised from the transfer of Equity Shares held as trading assets is taxable at the applicable tax rates subject to any treaty relief, if applicable, to a non-resident seller. Additionally, in terms of the Finance Act, 2018, which has been notified on March 29, 2018 with effect from April 1, 2018, the tax payable by an assessee on the capital gains arising from transfer of long term capital asset being an equity share in a company (introduced as section 112A of the Income-Tax Act, 1961) shall be calculated on such long-term capital gains at the rate of 10%, where the long-term capital gains exceed ₹100,000, subject to certain exceptions in case of a resident individuals and HUF.

***58. Any future issuance of Equity Shares, or convertible securities or other equity linked instruments by us may dilute your shareholding and sale of Equity Shares by the Promoters or members of our Promoter Group may adversely affect the trading price of the Equity Shares.***

We may be required to finance our growth through future equity offerings. Any future equity issuances by us, including a primary offering of Equity Shares, convertible securities or securities linked to Equity Shares including through exercise of employee stock options, may lead to the dilution of investors’ shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by the Promoters or members of the Promoter Group may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. There can be no assurance that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future. Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain restrictions), if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then a prior regulatory approval will be required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure investors that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all. For further information, see “Restrictions on Foreign Ownership of Indian Securities” on page 285.

**59. QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the submission of their Bid, and Retail Individual Investors are not permitted to withdraw their Bids after closure of the Bid/ Issue Closing Date.**

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are required to pay the Bid Amount on submission of the Bid and are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid/ Issue Period and withdraw their Bids until the Bid/ Issue Closing Date. While we are required to complete all necessary formalities for listing and commencement of trading of the Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed, including Allotment, within six Working Days from the Bid/ Issue Closing Date or such other period as may be prescribed by the SEBI, events affecting the investors' decision to invest in the Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows or financial condition may arise between the date of submission of the Bid and Allotment. We may complete the Allotment of the Equity Shares even if such events occur, and such events may limit the Investors' ability to sell the Equity Shares Allotted pursuant to the Issue or cause the trading price of the Equity Shares to decline on listing.

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

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

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

**61. Foreign investors are subject to foreign investment restrictions under Indian laws which limit our ability to attract foreign investors, which may adversely affect the market price of the Equity Shares.**

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain restrictions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of Equity Shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of the Equity Shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/tax clearance certificate from the income tax authority. We cannot assure investors that any required approval from the RBI or any other Indian government agency can be obtained on any particular terms, or at all. For further details, please see "Key Regulations and Policies in India" and "Restrictions on Foreign Ownership of Indian Securities" on pages 119 and 285 of this Draft Red Herring Prospectus.

## SECTION III – INTRODUCTION

### THE ISSUE

The following table sets forth details of the Issue:

| <b>PRESENT ISSUE IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS</b>            |  |
|---|--|
| <b>Equity Shares Offered through Public Issue</b> <sup>(1)(2)</sup>           | Fresh Issue of upto 50,00,000 Equity Shares aggregating to ₹ [●] Lakhs.  |
| <b>Out of which:</b>  |  |
| A. QIB Portion <sup>(3) (4)</sup>   | Not less than [●] Equity Shares aggregating up to ₹ [●] lakhs  |
| <b>Of which</b>   |  |
| i. Anchor Investor Portion  | Upto [●] Equity Shares aggregating up to ₹ [●] lakhs   |
| ii. Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)    | [●] Equity Shares aggregating up to ₹ [●] lakhs  |
| <b>Of which</b>   |  |
| (a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion) | At least [●] Equity Shares aggregating up to ₹ [●] lakhs   |
| (b) Balance of QIB Portion for all QIBs including Mutual Funds                | [●] Equity Shares aggregating up to ₹ [●] lakhs  |
| B. Non-Institutional Portion <sup>(5)</sup>                                   | Not more than [●] Equity Shares aggregating up to ₹ [●] lakhs  |
| C. Retail Portion <sup>(5)</sup>  | Not more than [●] Equity Shares aggregating up to ₹ [●] lakhs  |
| <b>Pre and Post – Issue Equity Shares</b>                                     |  |
| <b>Equity Shares outstanding prior to the Issue</b>                           | 1,40,00,000 Equity Shares of face value of ₹10 each  |
| <b>Equity Shares outstanding after the Issue</b>                              | Upto [●] Equity Shares of face value ₹10 each  |
| <b>Use of Net Proceeds by our Company</b>                                     | Please see the chapter titled “ <i>Objects of the Issue</i> ” on page 73 of this Draft Red Herring Prospectus. |

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

#### **Notes:**

- 1) The Issue is being made in compliance with Rule 19(2) (b) of the SCRR.
- 2) The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on August 03, 2022 and by the Shareholder of our Company, vide a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Annual General Meeting held on August 06, 2022.
- 3) Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from other category or a combination of categories at the discretion of our Board, in consultation with the BRLM and the Designated Stock Exchange subject to applicable law.
- 4) Our Company may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remaining of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to

*their Bids. For further details, please refer section titled “Issue Procedure” beginning on page 267 of this Draft Red Herring Prospectus.*

- 5) *Allocation to Bidders in all categories, except Anchor Investors, if any, Non-Institutional Investors and Retail Individual Bidders, shall be made on a proportionate basis subject to valid Bids received at or above the Issue Price. The allocation to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. Equity Shares available for Allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following: (i) one-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹ 2 lakhs and up to ₹ 10 lakhs; and (ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with application size of more than ₹ 10 lakhs, provided that the unsubscribed portion in either of the subcategories specified above may be allocated to applicants in the other sub-category of Non-Institutional Bidders. The allocation to each Non-Institutional Bidder shall not be less than the ₹ 2 lakhs, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the conditions specified in this regard in the SEBI ICDR Regulations. For further details, see “Issue Procedure” on page 267.*

For details, including grounds for rejection of Bids, refer to “Issue Structure” and “Issue Procedure” on page 263 and 267, respectively. For details of the terms of the Issue, see “Terms of the Issue” on page 257.

**SUMMARY OF RESTATED FINANCIAL INFORMATION**

**RESTATED STATEMENT OF ASSETS AND LIABILITIES**

(₹ in Lakhs)

| Sr. No. | Particulars   | As at<br>31st March, 2022 | As at<br>31st March, 2021 | As at<br>31st March, 2020 |
|---------|---|---------------------------|---------------------------|---------------------------|
|         | <b>ASSETS</b>   |                           |                           |                           |
| (1)     | <b>Non-current assets</b>   |                           |                           |                           |
|         | (a) Property, Plant and Equipment   | 150.08                    | 54.49                     | 60.20                     |
|         | (b) Investment Property   | 7.81                      | 8.13                      | 8.45                      |
|         | <b>(c) Financial Assets</b>   |                           |                           |                           |
|         | (i) Other financial assets  | 430.43                    | 148.50                    | 128.80                    |
|         | (d) Deferred tax assets (Net)   | 15.23                     | 11.24                     | 21.13                     |
|         | (e) Other non-current assets  | 9.92                      | 11.45                     | 9.47                      |
|         |   | <b>613.47</b>             | <b>233.81</b>             | <b>228.05</b>             |
| (2)     | <b>Current assets</b>   |                           |                           |                           |
|         | (a) Inventories   | 743.86                    | 353.27                    | 480.42                    |
|         | (b) Financial Assets  |                           |                           |                           |
|         | (i) Trade receivables   | 2,668.34                  | 411.62                    | 610.69                    |
|         | (ii) Cash and cash equivalents  | 249.05                    | 0.76                      | 6.64                      |
|         | (iii) Bank balances other than cash and cash equivalents                    | 24.87                     | 3.77                      | 13.12                     |
|         | (iv) Loans  | 1.30                      | 6.31                      | 30.31                     |
|         | (v) Other financials assets   | 281.08                    | 7.98                      | 15.78                     |
|         | (c) Other current assets  | 292.24                    | 73.47                     | 13.29                     |
|         |   | <b>4,260.74</b>           | <b>857.18</b>             | <b>1,170.25</b>           |
|         | <b>Total Assets</b>   | <b>4,874.21</b>           | <b>1,090.99</b>           | <b>1,398.30</b>           |
|         | <b>EQUITY AND LIABILITIES</b>   |                           |                           |                           |
|         | <b>Equity</b>   |                           |                           |                           |
|         | (a) Equity Share capital  | 700.00                    | 433.95                    | 374.21                    |
|         | (b) Other Equity  | 756.31                    | -                         | -                         |
|         | <b>Total equity attributable to equity holders of the Company</b>           | <b>1,456.31</b>           | <b>433.95</b>             | <b>374.21</b>             |
|         | <b>LIABILITIES</b>  |                           |                           |                           |
| (1)     | <b>Non-current liabilities</b>  |                           |                           |                           |
|         | (a) Financial Liabilities   |                           |                           |                           |
|         | (i) Borrowings  | 1,331.91                  | 54.00                     | -                         |
|         | (b) Provisions  | 12.65                     | 8.58                      | 6.68                      |
|         | (c) Other Non-Current Liabilities   | 4.54                      | -                         | -                         |
|         |   | <b>1,349.10</b>           | <b>62.58</b>              | <b>6.68</b>               |
| (2)     | <b>Current liabilities</b>  |                           |                           |                           |
|         | (a) Financial Liabilities   |                           |                           |                           |
|         | (i) Borrowings  | 36.37                     | 94.27                     | 403.21                    |
|         | (ii) Trade payables:-   |                           |                           |                           |
|         | -total outstanding dues of Micro enterprises and small enterprises          | 54.05                     | 30.71                     | 41.39                     |
|         | -total outstanding dues of creditors other than Micro and small enterprises | 1,745.32                  | 393.84                    | 484.13                    |
|         | (iii) Other Financial liabilities   | 13.71                     | 3.31                      | 1.70                      |
|         | (b) Other current liabilities   | 114.30                    | 71.97                     | 86.68                     |

|  |                                     |                 |                 |                 |
|--|-------------------------------------|-----------------|-----------------|-----------------|
|  | (c) Provisions                      | 13.27           | 0.36            | 0.30            |
|  | (d) Current Tax Liabilities (Net)   | 91.78           | -               | -               |
|  |                                     | <b>2,068.80</b> | <b>594.46</b>   | <b>1,017.41</b> |
|  |                                     |                 |                 |                 |
|  | <b>Total Equity and Liabilities</b> | <b>4,874.21</b> | <b>1,090.99</b> | <b>1,398.30</b> |

**RESTATED STATEMENT OF PROFIT & LOSS**

(₹ in Lakhs)

| Sr. No.     | Particulars   | For the Year Ended |                  |                  |
|-------------|---|--------------------|------------------|------------------|
|             |   | 31st March, 2022   | 31st March, 2021 | 31st March, 2020 |
| <b>I</b>    | Revenue From Operations   | 19,999.46          | 2,593.16         | 1,223.24         |
| <b>II</b>   | Other Income  | 26.73              | 8.07             | 9.27             |
| <b>III</b>  | <b>Total Income</b>   | <b>20,026.19</b>   | <b>2,601.23</b>  | <b>1,232.51</b>  |
| <b>IV</b>   | <b>EXPENSES</b>   |                    |                  |                  |
|             | Purchase of Stock in Trade  | 6,805.34           | 930.21           | 886.79           |
|             | Turnkey project expenses  | 8,991.78           | 830.92           | -                |
|             | Changes in Inventories of Finished Goods and Work-in-Progress   | (390.59)           | 127.15           | (173.13)         |
|             | Employee benefits expense   | 310.58             | 190.51           | 178.77           |
|             | Finance costs   | 91.75              | 86.57            | 90.46            |
|             | Depreciation and amortization expense   | 10.49              | 8.80             | 6.68             |
|             | Other expenses  | 1,795.54           | 274.13           | 171.51           |
|             | <b>Total expenses</b>   | <b>17,614.89</b>   | <b>2,448.29</b>  | <b>1,161.08</b>  |
| <b>V</b>    | <b>Profit before tax (III-IV)</b>   | <b>2,411.32</b>    | <b>152.95</b>    | <b>71.42</b>     |
| <b>VI</b>   | <b>Tax expense:</b>   |                    |                  |                  |
|             | (1) Current tax   | 753.50             | 57.01            | 22.65            |
|             | (2) Deferred tax  | (3.47)             | 9.94             | (16.65)          |
|             | (3) Income Tax adjustments for the earlier years  | -                  | -                | -                |
| <b>VII</b>  | <b>Profit After tax (V-VI)</b>  | <b>1,661.29</b>    | <b>86.00</b>     | <b>65.42</b>     |
| <b>VIII</b> | <b>Other Comprehensive Income</b>   |                    |                  |                  |
|             | A (i) <u>Items that will not be reclassified to profit or loss</u>  |                    |                  |                  |
|             | - Remeasurements of the defined benefit plans   | (2.05)             | (0.18)           | -                |
|             | (ii) <u>Income tax relating to items that will not be reclassified to profit or loss</u>                                  |                    |                  |                  |
|             | - Remeasurements of the defined benefit plans   | 0.52               | 0.04             | -                |
|             | <b>Total Comprehensive Income for the period (Comprising Profit and Other Comprehensive Income for the period) (V+VI)</b> | <b>1,659.76</b>    | <b>85.86</b>     | <b>65.42</b>     |
| <b>IX</b>   | <b>Earnings per equity share</b>  |                    |                  |                  |
|             | (1) Basic   | 11.87              | 0.61             | 0.47             |
|             | (2) Diluted   | 11.87              | 0.61             | 0.47             |

**RESTATED CASH FLOW STATEMENT**

(₹ in Lakhs)

| Particulars   | For the<br>Year ended<br>31st March,<br>2022 | For the<br>Year ended<br>31st March,<br>2021 | For the<br>year ended<br>31st March,<br>2020 |
|---|--|--|--|
| <b>A CASH FLOW FROM OPERATING ACTIVITIES</b>                      |  |  |  |
| Profit before exceptional items, prior period items and tax:      | 2,411.32                                     | 152.95                                       | 71.42  |
| Adjustments for :   |  |  |  |
| Depreciation  | 10.49  | 8.80   | 6.68   |
| Loss/(Gain) on disposal/discard of property , plant and equipment | (0.11)                                       | -  | -  |
| Provision for Loss allowances                                     | 3.26   | 8.09   | 8.36   |
| Re-measurements of the defined benefit plans in OCI               | (2.05)                                       | (0.18)                                       | -  |
| Interest income   | (9.17)                                       | (4.53)                                       | (2.69)                                       |
| Rent Income   | (3.35)                                       | (3.27)                                       | (3.17)                                       |
| Interest expense  | 91.75  | 86.57  | 90.46  |
| Operating Profit before working capital changes                   | <b>2,502.14</b>                              | <b>248.43</b>                                | <b>171.06</b>                                |
| Adjustments for:  |  |  |  |
| (Increase)/Decrease in loans and advances                         | 5.01   | 24.00  | (23.00)                                      |
| (Increase)/Decrease in trade receivables                          | (2,259.47)                                   | 195.08                                       | 22.50  |
| (Increase)/Decrease in inventories                                | (390.59)                                     | 127.15                                       | (173.13)                                     |
| (Increase)/Decrease in other financial assets                     | (404.90)                                     | (4.83)                                       | (17.76)                                      |
| (Increase)/Decrease in other assets                               | (223.67)                                     | (60.17)                                      | (2.35)                                       |
| Increase/(Decrease) in Trade Payable                              | 1,374.81                                     | (100.96)                                     | 40.94  |
| Increase/(Decrease) in Other financial Liabilities                | 8.34   | 1.18   | (0.09)                                       |
| Increase/(Decrease) in Other Current Liabilities                  | 46.87  | (14.72)                                      | 10.27  |
| Increase/(Decrease) in Provisions                                 | 16.97  | 1.96   | 6.99   |
| <b>Cash generated from Operations</b>                             | <b>675.51</b>                                | <b>417.12</b>                                | <b>35.43</b>                                 |
| Less : Direct taxes paid  | (655.31)                                     | (58.98)                                      | (29.25)                                      |
| <b>Net cash from Operating Activities (A)</b>                     | <b>20.20</b>                                 | <b>358.14</b>                                | <b>6.18</b>                                  |
| <b>B CASH FLOW FROM INVESTING ACTIVITIES</b>                      |  |  |  |
| Purchase of Property, plant and equipment                         | (106.03)                                     | (2.78)                                       | (37.26)                                      |
| Proceeds from sale of Property, plant and equipment               | 0.39   | -  | -  |
| Fixed Deposits having maturity of more than 3 months              | (171.73)                                     | (1.82)                                       | (25.30)                                      |
| Interest received   | 9.17   | 4.53   | 2.69   |
| Rent Income Received  | 3.35   | 3.27   | 3.17   |
| <b>Net Cash used in Investing Activities (B)</b>                  | <b>(264.85)</b>                              | <b>3.20</b>                                  | <b>(56.70)</b>                               |
| <b>C CASH FLOW FROM FINANCIAL ACTIVITIES</b>                      |  |  |  |
| Addition /(Withdrawals) by partners                               | -  | (26.13)                                      | 83.05  |
| Unsecured Loan Received from Director                             | 574.98                                       | -  | -  |
| Receipt/(Repayment) in long term borrowing                        | 83.92  | 54.00  | -  |
| Receipt/(Repayment) of Short term Borrowings                      | (76.27)                                      | (308.95)                                     | 61.80  |
| Interest paid   | (89.69)                                      | (86.14)                                      | (90.46)                                      |
| <b>Net cash used Financing Activities (C)</b>                     | <b>492.94</b>                                | <b>(367.22)</b>                              | <b>54.39</b>                                 |
| <b>Net increase in cash and cash equivalents (A+B+C)</b>          | <b>248.29</b>                                | <b>(5.88)</b>                                | <b>3.87</b>                                  |

|  |   |               |             |             |
|--|---|---------------|-------------|-------------|
|  | Cash and cash equivalents at the beginning of the year  | 0.76          | 6.64        | 2.76        |
|  |   |               |             |             |
|  | Cash and cash equivalents at the end of the year        | <b>249.05</b> | <b>0.76</b> | <b>6.64</b> |
|  | <b>Components of Cash &amp; Cash Equivalents</b>        |               |             |             |
|  | Cash on hand  | 3.55          | 0.76        | 6.52        |
|  | Balances with scheduled banks:                          |               |             |             |
|  | In current accounts                                     | -             | -           | 0.12        |
|  | Cash Credit Debit Balance                               | 245.50        | -           | -           |
|  | In Fixed Deposits having maturity of less than 3 months |               |             |             |
|  | <b>Cash and Cash Equivalents</b>                        | <b>249.05</b> | <b>0.76</b> | <b>6.64</b> |

## GENERAL INFORMATION

### **Brief Summary:**

Our Company was originally formed as a partnership firm in the name and style of “M/s. Aprameya Engineering” pursuant to a deed of partnership dated September 05, 2003, registered as on August 13, 2004 vide Registration certificate issued by Registrar of Firms, Ahmedabad City, Ahmedabad having Registered No. GUJ/AMS/36352 under the provisions of the Indian Partnership Act, 1932. Subsequently, our Company was incorporated pursuant to a certificate of incorporation dated December 28, 2021 issued by the Registrar of Companies, Central Registration Centre following the conversion of the partnership firm “M/s. Aprameya Engineering” to a Private Limited Company. Further, pursuant to special resolution passed by the shareholders of the Company at the Extra Ordinary General Meeting, held on April 22, 2022, our Company was converted into a Public Limited Company and consequently the name of our Company was changed from “Aprameya Engineering Private Limited” to “Aprameya Engineering Limited” vide a fresh certificate of incorporation consequent upon conversion dated May 12, 2022, issued by the Registrar of Companies, Ahmedabad, Gujarat bearing CIN: U51909GJ2021PLC128294.

Saurabh Kishorbhai Bhatt and Chetan Mohan Joshi were the initial subscribers to the Memorandum of Association of our Company.

For further details please refer to chapter titled “*History and Corporate Structure*” beginning on page 126 of this Draft Red Herring Prospectus.

|                          |   |
|--------------------------|---|
| <b>Registered Office</b> | 908, 9th Floor, Venus Atlantis Corporate Park, Anandnagar, Prahladnagar, Ahmedabad, Gujarat-380015 India.<br><b>Tel. No.:</b> 079-40068827<br><b>Email:</b> info@aelhealth.com<br><b>Website:</b> <a href="http://www.aelhealth.com">www.aelhealth.com</a><br><b>CIN:</b> U51909GJ2021PLC128294<br><b>Registration Number:</b> 128294 |
|--------------------------|---|

### **Address of the RoC:**

#### **Registrar of Companies, Ahmedabad**

ROC Bhavan, Opp Rupal Park Society,  
Behind Ankur Bus Stop, Naranpura,  
Ahmedabad-380013, Gujarat

**Phone:** 079-27438531

**Email:** [roc.ahmedabad@mca.gov.in](mailto:roc.ahmedabad@mca.gov.in)

**Website:** [www.mca.gov.in](http://www.mca.gov.in)

### **Board of Directors:**

The Board of Directors of our Company as on the date of filing of this Draft Red Herring Prospectus consists of:

| <b>Name of Director</b>  | <b>Designation</b>                 | <b>Address</b>   | <b>DIN</b> |
|--------------------------|------------------------------------|--|------------|
| Saurabh Kishorbhai Bhatt | Chairman & Joint Managing Director | A-3/502, Green Acres, Near Venus Atlantis, Opp Auda Lake, Prahladnagar, Ahmedabad Gujarat-380015, India.       | 03071549   |
| Chetan Mohan Joshi       | Managing Director                  | A1-202, Green Acres, Opp Auda Lake, Prahladnagar Road, Satellite Ahmedabad Gujarat-380015, India.              | 03056083   |
| Archana Chetan Joshi     | Non-Executive Director             | A-1 202, Green Acres, Opp Auda Lake, Near Vastrapur Railway Crossing, Vejalpur Ahmedabad Gujarat-380015 India. | 03056078   |
| Pooja Saurabh Bhatt      | Non-Executive Director             | A-3/502, Green Acres, Near Venus Atlantis, Opp Auda Lake, Prahladnagar, Ahmedabad Gujarat-380015 India.        | 03071550   |

|                              |                      |   |          |
|------------------------------|----------------------|---|----------|
| Suresh Kumar Verma           | Independent Director | D 301, Regency Towers, Behind Management Enclave, Vastrapur, Ahmedabad, Gujarat-380015, India | 09658156 |
| Raina Singh                  | Independent Director | 4, Kirti Nagar, New Sanganer Road, Shyam Nagar, Jaipur, Rajasthan-302019, India               | 09637543 |
| Heena Hareshbhai Jaichandani | Independent Director | B-29, Ghanshyam Nagar Canal Rd Ghodasar, Ahmedabad, Gujarat-380050, India                     | 09645431 |
| Shalini Hitesh Jalan         | Independent Director | 17 Swaraj Nagar Society, Ambawadi,, Bhudarpura Road, Ahmedabad Gujarat-380015 India           | 09620065 |

For further details in relation to our Directors, please refer to chapter titled “*Our Management*” on page 129 of this Draft Red Herring Prospectus.

| Chief Financial Officer   | Company Secretary & Compliance Officer   |
|---|--|
| <b>Jignesh Devubhai Suthar</b><br><b>Address:</b> 908, 9th Floor, Venus Atlantis Corporate Park, Anandnagar, Prahladnagar, Ahmedabad, Gujarat-380015 India.<br><b>Tel. No.:</b> 079-40068827<br><b>Email:</b> cfo@aelhealth.com | <b>Vijay Kishorbhai Jotani</b><br><b>Address:</b> 908, 9th Floor, Venus Atlantis Corporate Park, Anandnagar, Prahladnagar, Ahmedabad, Gujarat-380015 India.<br><b>Tel. No.:</b> 079-40068827<br><b>Email:</b> cs@aelhealth.com |

### **Investor Grievances:**

Investors may contact our Company Secretary and Compliance Officer, or the Registrar to the Issue in case of any pre-Issue or post-Issue related grievances, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Issue related queries and for redressal of complaints, investors may also write to the Book Running Lead Manager.

All Issue related grievances, other than that of Anchor Investors, may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder’s DP ID, Client ID, UPI ID, PAN, date of submission of the Bid cum Application Form, address of the Bidder, number of Equity Shares applied for, the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder and ASBA Account number (for Bidders other than using the UPI Mechanism) in which the amount equivalent to the Bid Amount was blocked or the UPI ID in case of UPI Bidders using the UPI Mechanism.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue. The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

All grievances relating to the UPI mechanism may be addressed to the Registrar to the Issue with a copy to the relevant Sponsor Bank or the member of the Syndicate if the Bid was submitted to a member of the Syndicate at any of the Specified Locations, or the Registered Broker if the Bid was submitted to a Registered Broker at any of the Brokers Centers, as the case may be, quoting the full name of the sole or first Bidder, Bid cum Application Form number, address of the Bidder, Bidder’s DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid-cum-Application Form, name and address of the member of the Syndicate or the Designated Branch or the Registered Broker or address of the RTA or address of the DP, as the case may be, where the Bid was submitted, and the UPI ID of the UPI ID Linked Bank Account in which the amount equivalent to the Bid Amount was blocked.

All Issue-related grievances of the Anchor Investors may be addressed to the Registrar, giving full details such as the name of the sole or First Bidder, Anchor Investor Application Form number, Bidders’ DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the Book Running Lead Manager where the Anchor Investor Application Form was submitted by the Anchor Investor.

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

| <b>Book Running Lead Manager of the Issue</b>   | <b>Legal Advisor to the Issue</b>  |
|---|--|
| <b>Hem Securities Limited</b><br>Address: 904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai-400013, Maharashtra, India<br>Tel No.: +91-22-4906 0000<br>Email: <a href="mailto:ib@hemsecurities.com">ib@hemsecurities.com</a><br>Website: <a href="http://www.hemsecurities.com">www.hemsecurities.com</a><br>Contact Person: Sourabh Garg<br>SEBI Reg. No.: INM000010981   | <b>Kanga and Co., Advocates &amp; Solicitors,</b><br>Address: - Ready money Mansion, 43, Veer Nariman Road, Fort, Mumbai-400 001, Maharashtra, India<br>Telephone: + 91-22-6623 0000 / 6633 2288<br>Email: <a href="mailto:chetan.thakkar@kangacompany.com">chetan.thakkar@kangacompany.com</a><br>Website: <a href="http://www.kangacompany.com">www.kangacompany.com</a><br>Contact Person: Chetan Thakkar   |
| <b>Registrar to the Issue</b>   | <b>Statutory Auditor</b>   |
| <b>Link Intime India Private Limited</b><br>Address: - C-101, 1 Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai, Maharashtra, India 400083<br>Tel No.: +91-022-49186200<br>Fax No.: +91-022-49186060<br>Email: <a href="mailto:aprameya.ipo@linkintime.co.in">aprameya.ipo@linkintime.co.in</a><br>Investor Grievance Email: <a href="mailto:aprameya.ipo@linkintime.co.in">aprameya.ipo@linkintime.co.in</a><br>Website: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a><br>Contact Person: Shanti Gopalkrishnan<br>SEBI Regn. No. INR000004058<br>CIN: U67190MH1999PTC118368 | <b>CNK &amp; ASSOCIATES LLP</b><br>Address: The Nirat, 3rd Floor, 18. Windward Business Park, Behind Emerald One Complex, Jetalpur Road, Vadodara, Gujarat, 390007.<br>Tel: +91 265 234 3483, +91 265 235 4359<br>Website: <a href="http://www.cnkindia.com">www.cnkindia.com</a><br>Email: <a href="mailto:vadodara@cnkindia.com">vadodara@cnkindia.com</a><br>Peer Review Number: 013232<br>Contact Person: CA. Pareen Shah<br>FRN No. :101961W/W-100036 |
| <b>Banker to the Company</b>  | <b>Bankers to the Issue/Sponsor Bank</b>   |
| <b>Punjab National Bank</b><br>Address: Sakar VII Building Ist Floor Ashram Road- Ahmedabad-380009, Gujarat, India<br>Email: <a href="mailto:mcc6502@pnb.co.in">mcc6502@pnb.co.in</a><br>Website: <a href="http://www.pnbindia.in">www.pnbindia.in</a><br>Contact Person: Kirtesh Bhatnagar   | [•]  |
| <b>Syndicate Members*</b>   |  |
| [•]   |  |

\*The Banker to the Issue (Sponsor Bank) and Syndicate Members shall be appointed prior to filing of the Prospectus with the RoC.

**Designated Intermediaries:**

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

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

**Eligible SCSBs and mobile applications enabled for UPI Mechanism**

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated

April 5, 2022, UPI Bidders Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appear on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>) and (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43>) respectively, 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' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019.

### **Syndicate SCSB Branches**

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

### **Registered Brokers**

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

### **Registrar and Share Transfer Agents**

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

### **Collecting Depository Participants**

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

### **Brokers to the Issue**

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

### **Expert Opinion**

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

Our Company has received written consent dated September 05, 2022 from M/s. CNK & Associates LLP, Chartered Accountants, to include their name as required under section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2 (38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of the examination report dated August 24, 2022 relating to the Restated Financial Information issued by them and in respect of their Statement of Possible Special Tax Benefits dated August 27, 2022 included in this Draft Red Herring Prospectus; and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. The term "expert" and "consent" does not represent an "expert" or "consent" within the meaning under the U.S. Securities Act.

### **Inter-se Allocation of Responsibilities**

Since, Hem Securities Limited is the sole Lead Manager to this Issue, a statement of inter se allocation of responsibilities among Lead Manager is not applicable.

### Monitoring Agency

If required, our Company will appoint a monitoring agency prior to the filing of the Red Herring Prospectus in accordance with Regulation 41 of SEBI ICDR Regulations.

### Appraising Entity

None of the objects for which the Net Proceeds are proposed to be utilized have been financially appraised by any banks or financial institution.

### Credit Rating

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

### IPO Grading

No credit rating agency registered with SEBI has been appointed for grading the Issue.

### Debenture Trustees

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

### Underwriting

After the determination of the Issue Price, but prior to the filing of the Prospectus with the RoC, our Company intends to enter into the Underwriting Agreement with the Underwriters for the Equity Shares. It is proposed that pursuant to the terms of the Underwriting Agreement, BRLM shall be responsible for bringing in the amount devolved in the event the respective Syndicate Member do not fulfil their underwriting obligations. Pursuant to the terms of the Underwriting Agreement dated [●], the obligations of each of the Underwriters are several and are subject to certain conditions specified therein.

The Underwriter(s) have indicated their intention to underwrite the following number of Equity Shares pursuant to the Underwriting Agreement:

(This portion has been intentionally left blank and will be completed before the filing of the Prospectus with the RoC.)

| Name, address, Tel. number and email address of the Underwriters | Indicative Number of Equity Shares to be underwritten | Amount underwritten(₹ lakhs) |
|--|---|------------------------------|
| [●]  | [●]   | [●]                          |

The abovementioned underwriting commitments are indicative and will be finalised after pricing of the Issue, the Basis of Allotment and actual allocation in accordance with provisions of the SEBI ICDR Regulations.

In the opinion of our Board (based on representations made to our Company by the Underwriter(s)), the resources of the abovementioned Underwriter(s) are sufficient to enable them to discharge their respective underwriting obligations in full. The abovementioned Underwriters are registered with the SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchanges. Our Board at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriter(s) may not necessarily be in proportion to their underwriting commitment set forth in the table above.

Notwithstanding the above table, the Underwriter(s) shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to investors respectively procured by them in accordance with the Underwriting Agreement. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscribers for or subscribe to the Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement. The Underwriting Agreement has not been executed as on the date of this Draft Red Herring

Prospectus and will be executed after determination of the Issue Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC.

*Details of the final underwriting arrangement indicating actual number of specified securities underwritten, to be provided in the prospectus before it is filed with the Registrar of Companies.*

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

Except as stated below, there have been no changes in our Company's auditors in the last three (3) years:

| Details of Statutory Auditor   | Date of Change    | Reason of Change   |
|--|-------------------|--|
| <b>M/s. JITENDRA A. PATEL &amp; CO.</b><br><b>Chartered Accountants,</b><br>Address: 201,Rushika Complex,<br>Nr. Dinesh Hall, Ashram Road,<br>Ahmedabad, Gujarat- 380009, India.<br>Phone :+91 9898065896<br>Email: <a href="mailto:japatelca2004@yahoo.co.in">japatelca2004@yahoo.co.in</a><br>Firm Registration No.: 104283W<br>Contact Person: Jitendra A. Patel<br>Membership No.: 033543  | February 10, 2022 | M/s. Jitendra A. Patel & Co. Chartered Accountants appointed as auditors   |
|  | May 02, 2022      | M/s. Jitendra A. Patel & Co Chartered Accountants are not peer reviewed firm by the board of ICAI and have therefore resigned to ensure proper compliance. |
| <b>CNK &amp; ASSOCAITES LLP</b><br><b>Address:</b> The Nirat, 3rd Floor, 18. Windward Business Park, Behind Emerald One Complex, Jetalpur Road, Vadodara, Gujarat, 390007.<br><b>Tel:</b> +91 265 234 3483, +91 265 235 4359<br><b>Website:</b> <a href="http://www.cnkindia.com">www.cnkindia.com</a><br><b>Email:</b> <a href="mailto:vadodara@cnkindia.com">vadodara@cnkindia.com</a><br><b>Contact Person:</b> CA Pareen Shah<br>FRN No. :101961W/W-100036<br>Membership No.: 125011 | May 17, 2022      | Appointment of CNK & Associates LLP to ensure proper compliance.   |

### Filing of Draft Red Herring Prospectus

A copy of this Draft Red Herring Prospectus will be filed electronically on the SEBI's online portal at <https://siportal.sebi.gov.in>, in accordance with SEBI circular bearing reference SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018 and emailed at [cfdil@sebi.gov.in](mailto:cfdil@sebi.gov.in), in accordance with the instructions issued by the SEBI, in relation to "Easing of Operational Procedure – Division of Issues and Listing – CFD" dated March 27, 2020.

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed under Section 32 of the Companies Act, 2013 will be delivered for registration to the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 will be delivered for registration to the RoC at Registrar of Companies, Ahmedabad at ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat.

### Book Building Process

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

- Our Company;
- The Book Running Lead Manager in this case being Hem Securities Limited,

- The Syndicate Member(s) who are intermediaries registered with SEBI / registered as brokers with BSE and NSE and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the Book Running Lead Manager;
- The Registrar to the Issue and;
- The Designated Intermediaries and Sponsor bank

**All Bidders (except Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process. Pursuant to the UPI Circulars, UPI Bidders may also participate in this Issue through UPI in the ASBA process. In accordance with the SEBI ICDR Regulations, QIBs bidding in the QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/ Issue Period and withdraw their Bids until the Bid/ Issue Closing Date.**

**Each Bidder by submitting a Bid in Issue, will be deemed to have acknowledged the above restrictions and the terms of the Issue. Additionally, allotment to each Non-Institutional Bidder shall not be less than the minimum application size, subject to the availability of Equity Shares in the Non -Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis.**

**Our Company will comply with the SEBI ICDR Regulations and any other directions issued by SEBI in relation to this Issue. In this regard, our Company has appointed the BRLM to manage this Issue and procure Bids for this Issue. The Book Building Process is in accordance with guidelines, rules and regulations prescribed by SEBI and are subject to change from time to time. Bidders are advised to make their own judgment about an investment through this process prior to submitting a Bid.**

**The process of Book Building is in accordance with the guidelines, rules and regulations prescribed by SEBI under the SEBI ICDR Regulations and the Bidding Processes are subject to change from time to time. Investors are advised to make their own judgment about investment through this process prior to submitting a Bid in this Issue.**

Bidders should note that this Issue is also subject to obtaining (i) final approval of the RoC after the Prospectus is filed with the RoC; and (ii) final listing and trading approvals from the Stock Exchanges, which our Company shall apply for after Allotment.

For further details on the method and procedure for Bidding, please see section entitled “**Issue Procedure**” on page 267 of this Draft Red Herring Prospectus.

For further details, please refer to the chapters titled “Terms of the Issue” “Issue Structure” and “Issue Procedure” beginning on pages 257, 263 and 267, respectively of this Draft Red Herring Prospectus.

#### **Illustration of Book Building Process and the Price Discovery Process**

For an illustration of the Book Building Process and the price discovery process, please refer to the chapter titled “Issue Procedure” on page 267 of this Draft Red Herring Prospectus.

## CAPITAL STRUCTURE

Set forth below are the details of the Equity Share Capital of our Company as on the date of this Draft Red Herring Prospectus.

*(In ₹, except share data or indicated otherwise)*

| Sr. No. | Particulars   | Aggregate nominal value at face value of ₹ 10 per equity share | Aggregate Value at Issue Price* |
|---------|---|--|---------------------------------|
| A       | <b>Authorized Share Capital</b><br>2,00,00,000 Equity Shares having Face Value of ₹ 10/- each   | 20,00,00,000   | -                               |
| B       | <b>Issued, Subscribed &amp; Paid-up Share Capital prior to the Issue</b><br>1,40,00,000 Equity Shares having Face Value of ₹10/- each   | 14,00,00,000   | -                               |
| C       | <b>Present Issue in terms of this Draft Red Herring Prospectus<sup>#</sup></b><br>Fresh Issue of upto 50,00,000 Equity Shares of face value of ₹ 10 each aggregating up to [●] Lakhs) | 5,00,00,000  | [●]                             |
| D       | <b>Issued, Subscribed and Paid up Equity Share Capital after the Issue**</b><br>[●] Equity Shares of face value of ₹10/- each   |  | [●]                             |
| E       | <b>Securities Premium Account</b><br>Before the Issue (as on date of this Draft Red Herring Prospectus)<br>After the Issue**  |  | Nil<br>[●]                      |

\*To be included upon finalization of Issue Price.

\*\* Subject to finalization of Basis of Allotment

<sup>#</sup>The present Issue of upto 50,00,000 Equity Shares in terms of this Draft Red Herring Prospectus has been authorized pursuant to a resolution of our Board of Directors dated August 03, 2022 and by special resolution passed under Section 62(1) (c) of the Companies Act, 2013 at an Annual General Meeting of the members of the Company held on August 06, 2022.

### 1. Equity Share Capital History of our Company:

a) The following table sets forth details of the history of the Equity Share capital of our Company:

| Date of Allotment of Equity Shares | No. of Equity Shares allotted | Face Value (₹) | Issue Price (including Premium if applicable (₹) | Consideration Cash/ Other than Cash | Nature of Allotment                             | Cumulative No. of Equity Shares | Cumulative Securities Premium (₹) | Cumulative Paid Up Capital (₹) |
|------------------------------------|-------------------------------|----------------|--|-------------------------------------|---|---------------------------------|-----------------------------------|--------------------------------|
| Upon Incorporation                 | 70,00,000                     | 10/-           | 10/-   | Cash                                | Subscription to MOA <sup>(i)</sup>              | 70,00,000*                      | Nil                               | 7,00,00,000                    |
| August 06, 2022                    | 70,00,000                     | 10/-           | Nil  | Other than Cash                     | Bonus Issue in the ratio of 1:1 <sup>(ii)</sup> | 1,40,00,000                     | Nil                               | 14,00,00,000                   |

\* this allotment was made pursuant to conversion of partner's capital into Equity Share capital upon conversion of the partnership firm to a private limited company.

All the above mentioned shares are fully paid up since the date of allotment.

- i. Initial Subscribers to the Memorandum of Association subscribed 70,00,000 Equity Shares of Face Value of ₹ 10/- each, details of which are given below:

| Sr. No. | Name of Subscribers      | Number of Shares Subscribed |
|---------|--------------------------|-----------------------------|
| 1.      | Saurabh Kishorbhai Bhatt | 35,00,000                   |
| 2.      | Chetan Mohan Joshi       | 35,00,000                   |
|         | <b>Total</b>             | <b>70,00,000</b>            |

- ii. Bonus issue of 70,00,000 Equity Shares of Face Value of ₹10/-each in the ratio of 1:1 i.e. One (1) Bonus Equity Shares for every One (1) Equity Shares held by shareholders:

| Date of Allotment | Number of Equity Shares | Face Value (₹) | Issue Price (₹) | Reasons for Allotment           | Benefits Accrued to Company          | Name of Allottees             | No. of Shares Allotted |
|-------------------|-------------------------|----------------|-----------------|---------------------------------|--------------------------------------|-------------------------------|------------------------|
| August 06, 2022   | 70,00,000               | 10             | -               | Bonus Issue in the ratio of 1:1 | Capitalization of Reserves & Surplus | Saurabh Kishorbhai Bhatt      | 34,50,000              |
|                   |                         |                |                 |                                 |                                      | Chetan Mohan Joshi            | 34,50,000              |
|                   |                         |                |                 |                                 |                                      | Archana Chetan Joshi          | 30,000                 |
|                   |                         |                |                 |                                 |                                      | Pooja Saurabh Bhatt           | 30,000                 |
|                   |                         |                |                 |                                 |                                      | Devyaniben Kishorbhai Bhatt   | 10,000                 |
|                   |                         |                |                 |                                 |                                      | Kishorbhai Ichhashankar Bhatt | 10,000                 |
|                   |                         |                |                 |                                 |                                      | Mohan Champalal Joshi         | 20,000                 |
|                   |                         |                |                 |                                 |                                      | <b>Total</b>                  | <b>70,00,000</b>       |

b) As on the date of this Draft Red Herring Prospectus, our Company does not have any Preference Share Capital.

## 2. Issue of Equity Shares for consideration other than cash:

Except as mentioned below, the Company has not issued any Equity Share for consideration other than cash since its incorporation.

| Date of Allotment | Number of Equity Shares | Face Value (₹) | Issue Price (₹) | Reasons for Allotment           | Benefits Accrued to Company          | Name of Allottees             | No. of Shares Allotted |
|-------------------|-------------------------|----------------|-----------------|---------------------------------|--------------------------------------|-------------------------------|------------------------|
| August 06, 2022   | 70,00,000               | 10             | -               | Bonus Issue in the ratio of 1:1 | Capitalization of Reserves & Surplus | Saurabh Kishorbhai Bhatt      | 34,50,000              |
|                   |                         |                |                 |                                 |                                      | Chetan Mohan Joshi            | 34,50,000              |
|                   |                         |                |                 |                                 |                                      | Archana Chetan Joshi          | 30,000                 |
|                   |                         |                |                 |                                 |                                      | Pooja Saurabh Bhatt           | 30,000                 |
|                   |                         |                |                 |                                 |                                      | Devyaniben Kishorbhai Bhatt   | 10,000                 |
|                   |                         |                |                 |                                 |                                      | Kishorbhai Ichhashankar Bhatt | 10,000                 |
|                   |                         |                |                 |                                 |                                      | Mohan Champalal Joshi         | 20,000                 |
|                   |                         |                |                 |                                 |                                      | <b>Total</b>                  | <b>70,00,000</b>       |

- No Equity Shares have been allotted pursuant to any scheme approved under sections 230-234 of the Companies Act, 2013 or under the erstwhile corresponding provisions of the Companies Act, 1956.
- Our Company has not issued any shares pursuant to an Employee Stock Option Scheme.
- Issue of Equity Shares at a price lower than Issue Price in the last one (1) year.**

Except as disclosed below, our Company has not made issue of specified securities at a price lower than the Issue Price during the preceding one (1) year before the date of filing of this Draft Red Herring Prospectus:

| Date of Allotment  | Number of Equity Shares | Face Value (₹) | Issue Price (₹) | Reasons for Allotment   | Name of Allottees            |
|--------------------|-------------------------|----------------|-----------------|---|------------------------------|
| Upon Incorporation | 70,00,000               | 10/-           | 10/-            | Subscription to MOA pursuant to conversion of partnership firm into Private Company | Refer table 1 (a) (i) above  |
| August 06, 2022    | 70,00,000               | 10             | -               | Bonus Issue in the ratio of 1:1   | Refer table 1 (a) (ii) above |

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

### 7. Shareholding Pattern of the Company

The table below represents the shareholding pattern of our Company in accordance with Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as on the date of this Draft Red Herring Prospectus:

| Category | Category of shareholder    | Nos. 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 % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C) | Number of Voting Rights held in each class of securities* |       |             |                         | No. of Shares Underlying Outstanding convertible | Shareholding, as % assuming full conversion of convertible securities (as a % of diluted share capital) As a % of (A+B+C) | Number of Locked in shares |                                 | Number of Shares pledged or otherwise encumbered |                                 | Number of equity shares held in dematerialized form |
|----------|----------------------------|----------------------|---|--|--|------------------------|---|---|-------|-------------|-------------------------|--|---|----------------------------|---------------------------------|--|---------------------------------|---|
|          |                            |                      |   |  |  |                        |   | No of Voting Rights                                       |       |             | Total as a % of (A+B+C) |  |   | No.                        | As a % of total Shares held (b) | No. (a)  | As a % of total Shares held (b) |   |
|          |                            |                      |   |  |  |                        |   | Class Equity Shares of ₹10/- each                         | Class | Total       |                         |  |   |                            |                                 |  |                                 |   |
| <b>I</b> | <b>II</b>                  | <b>III</b>           | <b>IV</b>                               | <b>V</b>                                 | <b>VI</b>                                    | <b>VII = IV+V+VI</b>   | <b>VIII</b>   | <b>IX</b>   |       |             |                         | <b>X</b>   | <b>XI=VII+X</b>   | <b>XII</b>                 | <b>XIII</b>                     |  | <b>XIV</b>                      |   |
| (A)      | Promoters & Promoter Group | 7                    | 1,40,00,000                             | -  | -  | 1,40,00,000            | 100.00  | 1,40,00,000   | -     | 1,40,00,000 | 100.00                  | -  | 100.00  | -                          | -                               | -  | -                               | 1,40,00,000   |
| (B)      | Public                     | -                    | -                                       | -  | -  | -                      | -   | -   | -     | -           | -                       | -  | -   | -                          | -                               | -  | -                               | -   |

|      |                            |          |                    |          |          |                    |               |                    |          |                    |               |          |               |          |          |                    |
|------|----------------------------|----------|--------------------|----------|----------|--------------------|---------------|--------------------|----------|--------------------|---------------|----------|---------------|----------|----------|--------------------|
| (C)  | Non Promoter-Non Public    | -        | -                  | -        | -        | -                  | -             | -                  | -        | -                  | -             | -        | -             | -        | -        | -                  |
| (C1) | Shares underlying DRs      | -        | -                  | -        | -        | -                  | -             | -                  | -        | -                  | -             | -        | -             | -        | -        | -                  |
| (C2) | Shares held by Emp. Trusts | -        | -                  | -        | -        | -                  | -             | -                  | -        | -                  | -             | -        | -             | -        | -        | -                  |
|      | <b>Total</b>               | <b>7</b> | <b>1,40,00,000</b> | <b>-</b> | <b>-</b> | <b>1,40,00,000</b> | <b>100.00</b> | <b>1,40,00,000</b> | <b>-</b> | <b>1,40,00,000</b> | <b>100.00</b> | <b>-</b> | <b>100.00</b> | <b>-</b> | <b>-</b> | <b>1,40,00,000</b> |

**Notes-**

*\*As on date of this Draft Red Herring Prospectus 1 Equity share holds 1 vote. We have only one class of Equity Shares of face value of ₹10/- each.*

*We have entered into tripartite agreement with CDSL and NSDL.*

*Our Company will file the shareholding pattern in the form prescribed under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, one day prior to the listing of the Equity shares. The shareholding pattern will be uploaded on the Website of the stock exchanges before commencement of trading of such Equity Shares.*

8. List of Shareholders of the Company holding 1% or more of the paid up Share Capital of the Company:-

a) As on the date of filing of this Draft Red Herring Prospectus:-

| Sr. No. | Names of Shareholders    | Shares held (Face Value of ₹ 10 each) | % Pre Issue paid up Share Capital |
|---------|--------------------------|---------------------------------------|-----------------------------------|
| 1.      | Saurabh Kishorbhai Bhatt | 69,00,000                             | 49.29                             |
| 2.      | Chetan Mohan Joshi       | 69,00,000                             | 49.29                             |
|         | <b>Total</b>             | <b>1,38,00,000</b>                    | <b>98.58</b>                      |

b) Ten days prior to the date of filing of this Draft Red Herring Prospectus:-

| Sr. No. | Names of Shareholders    | Shares held (Face Value of ₹ 10 each) | % Pre Issue paid up Share Capital |
|---------|--------------------------|---------------------------------------|-----------------------------------|
| 1.      | Saurabh Kishorbhai Bhatt | 69,00,000                             | 49.29                             |
| 2.      | Chetan Mohan Joshi       | 69,00,000                             | 49.29                             |
|         | <b>Total</b>             | <b>1,38,00,000</b>                    | <b>98.58</b>                      |

c) One Year prior to the date of filing of this Draft Red Herring Prospectus:-

*Our Company incorporated on December 28, 2021 pursuant to conversion of the partnership firm “Aprameya Engineering” viz. less than one year prior to the date of filing of the Draft Red Herring Prospectus. Hence, requirement of disclosing the list of shareholders prior to one year from the date of filing of the Draft Red Herring Prospectus, is not applicable on us.*

d) Two Years prior to the date of filing of this Draft Red Herring Prospectus:-

*Our Company incorporated on December 28, 2021 pursuant to conversion of the partnership firm “Aprameya Engineering” viz. less than two years prior to the date of filing of the Draft Red Herring Prospectus. Hence, requirement of disclosing the list of shareholders prior to two years from the date of filing of the Draft Red Herring Prospectus, is not applicable on us.*

9. Our Company has not made any Initial Public Offer of specified securities in the preceding two years from the date of filing of this Draft Red Herring Prospectus.

10. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, Right issue or in any other manner during the period commencing from the date of the Draft Red Herring Prospectus until the Equity Shares of our Company have been listed or application money unblocked on account of failure of Issue. Further, our Company does not intend to alter its capital structure within six months from the date of opening of the issue, by way of split / consolidation of the denomination of Equity Shares. However, our Company may further issue Equity shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board of Directors may deem fit, if an opportunity of such nature is determined by the Board of Directors to be in the interest of our Company.

11. Capital Buildup in respect of Shareholding of our Promoters

As on the date of this Draft Red Herring Prospectus, our Promoters, Chetan Mohan Joshi and Saurabh Kishorbhai Bhatt, collectively hold 1,38,00,000 Equity Shares of our Company. None of the Equity Shares held by our Promoters are subject to any pledge.

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

| Date of Allotment and made fully paid up/ Transfer | No. of Equity Shares | Face Value Per Share (₹) | Issue/ Acquisition / Transfer Price (₹) | Consideration | Nature of Issue | Pre-Issue Shareholding % | Post-Issue Shareholding % |
|--|----------------------|--------------------------|---|---------------|-----------------|--------------------------|---------------------------|
| <b>(A) Chetan Mohan Joshi</b>                      |                      |                          |   |               |                 |                          |                           |

|                                     |                    |    |    |                 |   |              |            |
|-------------------------------------|--------------------|----|----|-----------------|---|--------------|------------|
| December 28, 2021                   | 35,00,000          | 10 | 10 | Cash            | On Incorporation                                | 25.00        | [●]        |
| April 18, 2022                      | (50,000)           | 10 | -  | -               | Transfer of Share By way of Gift <sup>(a)</sup> | (0.36)       | [●]        |
| August 06, 2022                     | 34,50,000          | 10 | -  | Other than Cash | Bonus Issue in the ratio of 1:1                 | 24.64        | [●]        |
| <b>Total (A)</b>                    | <b>69,00,000</b>   |    |    |                 |   | <b>49.29</b> | <b>[●]</b> |
| <b>(B) Saurabh Kishorbhai Bhatt</b> |                    |    |    |                 |   |              |            |
| December 28, 2021                   | 35,00,000          | 10 | 10 | Cash            | On Incorporation                                | 25.00        | [●]        |
| April 18, 2022                      | (50,000)           | 10 | -  | -               | Transfer of Share By way of Gift <sup>(b)</sup> | (0.36)       | [●]        |
| August 06, 2022                     | 34,50,000          | 10 | -  | Other than Cash | Bonus Issue in the ratio of 1:1                 | 24.64        | [●]        |
| <b>Total (B)</b>                    | <b>69,00,000</b>   |    |    |                 |   | <b>49.29</b> | <b>[●]</b> |
| <b>Grand Total</b>                  | <b>1,38,00,000</b> |    |    |                 |   | <b>98.58</b> | <b>[●]</b> |

a) Transfer of 50000 equity shares by way of gift by Chetan Mohan Joshi dated April 18, 2022.

| Sr. No.      | Date of Transfer | Name of Transferor | No. of Shares Transferred | Name of Transferee    |
|--------------|------------------|--------------------|---------------------------|-----------------------|
| 1.           | April 18, 2022   | Chetan Mohan Joshi | 20,000                    | Mohan Champalal Joshi |
| 2.           |                  |                    | 30,000                    | Archana Chetan Joshi  |
| <b>Total</b> |                  |                    | <b>50,000</b>             |                       |

b) Transfer of 50000 equity shares by way of gift by Saurabh Kishorbhai Bhatt dated April 18, 2022.

| Sr. No.      | Date of Transfer | Name of Transferor       | No. of Shares Transferred | Name of Transferee            |
|--------------|------------------|--------------------------|---------------------------|-------------------------------|
| 1.           | April 18, 2022   | Saurabh Kishorbhai Bhatt | 30,000                    | Pooja Saurabh Bhatt           |
| 2.           |                  |                          | 10,000                    | Devyaniben Kishorbhai Bhatt   |
| 3.           |                  |                          | 10,000                    | Kishorbhai Ichhashankar Bhatt |
| <b>Total</b> |                  |                          | <b>50,000</b>             |                               |

12. The average cost of acquisition of or subscription of shares by our Promoters is set forth in the table below:

| Sr. No. | Name of the Promoters    | No. of Shares held | Average cost of Acquisition (in ₹) |
|---------|--------------------------|--------------------|------------------------------------|
| 1.      | Saurabh Kishorbhai Bhatt | 69,00,000          | 5.07                               |
| 2.      | Chetan Mohan Joshi       | 69,00,000          | 5.07                               |

### 13. Shareholding of Promoters & Promoter Group

Following are the details of pre and post Issue shareholding of persons belonging to the category “Promoters and Promoter Group”:

| Sr. No           | Names                    | Pre IPO     |               | Post IPO    |               |
|------------------|--------------------------|-------------|---------------|-------------|---------------|
|                  |                          | Shares Held | % Shares Held | Shares Held | % Shares Held |
| <b>Promoters</b> |                          |             |               |             |               |
| 1.               | Saurabh Kishorbhai Bhatt | 69,00,000   | 49.29         | 69,00,000   | [●]           |
| 2.               | Chetan Mohan Joshi       | 69,00,000   | 49.29         | 69,00,000   | [●]           |

|    |                               |                    |               |                    |            |
|----|-------------------------------|--------------------|---------------|--------------------|------------|
|    | <b>TOTAL (A)</b>              | <b>1,38,00,000</b> | <b>98.58</b>  | <b>1,38,00,000</b> | <b>[●]</b> |
|    | <b>Promoter Group</b>         |                    |               |                    |            |
| 3. | Archana Chetan Joshi          | 60,000             | 0.43          | 60,000             | [●]        |
| 4. | Pooja Saurabh Bhatt           | 60,000             | 0.43          | 60,000             | [●]        |
| 5. | Mohan Champalal Joshi         | 40,000             | 0.28          | 40,000             | [●]        |
| 6. | Devyaniben Kishorbhai Bhatt   | 20,000             | 0.14          | 20,000             | [●]        |
| 7. | Kishorbhai Ichhashankar Bhatt | 20,000             | 0.14          | 20,000             | [●]        |
|    | <b>TOTAL (B)</b>              | <b>2,00,000</b>    | <b>1.42</b>   | <b>2,00,000</b>    | <b>[●]</b> |
|    | <b>Total (A+B)</b>            | <b>1,40,00,000</b> | <b>100.00</b> | <b>1,40,00,000</b> | <b>[●]</b> |

14. Except as provided below, no Equity Shares were acquired/ purchased/ sold by the Promoters and Promoter Group, Directors and their immediate relatives within six months immediately preceding the date of filing of this Draft Red Herring Prospectus.

| <b>Date of Allotment/ Transfer</b> | <b>Name of Shareholders</b>   | <b>No. of Equity Share</b> | <b>% of Pre issue Capital</b> | <b>Subscribed/ Acquire/ Transfer</b>   | <b>Category of Allottees (Promoters/Promoter Group/ Director)</b> |
|------------------------------------|-------------------------------|----------------------------|-------------------------------|--|---|
| April 18, 2022                     | Chetan Mohan Joshi            | (50,000)                   | (0.36)                        | Share Transfer By way of Gift to Mohan Champalal Joshi & Archana Chetan Joshi                                      | Promoter and Director   |
|                                    | Mohan Champalal Joshi         | 20000                      | 0.14                          | Acquisition by way of Gift from Chetan Mohan Joshi   | Promoter Group  |
|                                    | Archana Chetan Joshi          | 30000                      | 0.21                          | Acquisition by way of Gift from Chetan Mohan Joshi   | Promoter Group  |
| April 18, 2022                     | Saurabh Kishorbhai Bhatt      | (50,000)                   | (0.36)                        | Share Transfer By way of Gift to Pooja Saurabh Bhatt, Devyaniben Kishorbhai Bhatt & Kishorbhai Ichhashankar Bhatt. | Promoter and Director   |
|                                    | Pooja Saurabh Bhatt           | 30000                      | 0.21                          | Acquisition by way of Gift from Saurabh Kishorbhai Bhatt   | Promoter Group  |
|                                    | Devyaniben Kishorbhai Bhatt   | 10000                      | 0.07                          | Acquisition by way of Gift from Saurabh Kishorbhai Bhatt   | Promoter Group  |
|                                    | Kishorbhai Ichhashankar Bhatt | 10000                      | 0.07                          | Acquisition by way of Gift from Saurabh Kishorbhai Bhatt   | Promoter Group  |
| August 06, 2022                    | Saurabh Kishorbhai Bhatt      | 34,50,000                  | 24.64                         | Bonus Issue  | Promoter and Director   |
|                                    | Chetan Mohan Joshi            | 34,50,000                  | 24.64                         |  | Promoter and Director   |
|                                    | Archana Chetan Joshi          | 30,000                     | 0.21                          |  | Promoter Group  |
|                                    | Pooja Saurabh Bhatt           | 30,000                     | 0.21                          |  | Promoter Group  |
|                                    | Devyaniben Kishorbhai Bhatt   | 10,000                     | 0.07                          |  | Promoter Group  |
|                                    | Kishorbhai Ichhashankar Bhatt | 10,000                     | 0.07                          |  | Promoter Group  |
| Mohan Champalal Joshi              | 20,000                        | 0.14                       | Promoter Group                |  |   |

15. None of our Promoters, Promoter Group, our Directors and their relatives has entered into any financing arrangement or financed the purchase of the Equity Shares of our Company by any other person during the period of six months immediately preceding the date of filing of the Draft Red Herring Prospectus.

**16. Details of Promoters’ Contribution Locked-in for eighteen months**

Pursuant to Regulation 14 and 16 of SEBI (ICDR) Regulations, 2018, an aggregate of 20.00% of the post issue capital held by our Promoters shall be considered as Promoter’s Contribution (“**Promoters Contribution**”) and shall be locked-in for a period of eighteen months from the date of allotment of Equity shares issued pursuant to this Issue. The lock in of Promoter’s Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the stock exchanges before listing of the Equity Shares.

As on the date of this Draft Red Herring Prospectus, our Promoters collectively hold 1,38,00,000 Equity Shares constituting [●] of the Post – Issued, subscribed and paid up Equity Share Capital of our Company, which are eligible for the Promoters’ contribution.

Our Promoters, Chetan Mohan Joshi and Saurabh Kishorbhai Bhatt, have given written consent to include [●] Equity Shares held by them and subscribed by them as part of Promoters Contribution constituting 20% of the post issue Equity Shares of our Company. Further, they have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters contribution, for a period of eighteen months from the date of allotment in the Issue.

| Date of Allotment/ Transfer and made fully Paid Up | No. of Equity Shares locked-in* | Face Value Per Share (₹) | Issue/ Acquisition/ Transfer Price (₹) | Nature of transaction | Post-Issue Shareholding % | Lock in Period |
|--|---------------------------------|--------------------------|--|-----------------------|---------------------------|----------------|
| <b>Chetan Mohan Joshi</b>                          |                                 |                          |  |                       |                           |                |
| [●]  | [●]                             | [●]                      | [●]                                    | [●]                   | [●]                       | [●]            |
| <b>Total</b>                                       | [●]                             |                          |  |                       | [●]                       |                |
| <b>Saurabh Kishorbhai Bhatt</b>                    |                                 |                          |  |                       |                           |                |
| [●]  | [●]                             | [●]                      | [●]                                    | [●]                   | [●]                       | [●]            |
| <b>Total</b>                                       | [●]                             |                          |  |                       | [●]                       |                |
| <b>Grand Total</b>                                 | [●]                             |                          |  |                       |                           |                |

Our Company undertakes that the Equity Shares that shall be locked-in for computation of the Minimum Promoter’s Contribution are not and will not be ineligible in terms of the Regulation 15 of the SEBI ICDR Regulations. In this connection, we confirm the following:

- The Minimum Promoter’s Contribution does not include any Equity Shares acquired during the immediately preceding three years from the date of this Draft Red Herring Prospectus: (a) for consideration other than cash and revaluation of assets or capitalization of intangible assets, or (b) as a result of bonus shares issued by utilization of revaluation reserves or unrealized profits of our Company or from bonus issue against Equity Shares which are otherwise ineligible for computation of the Promoter’s Contribution;
- The Equity Shares offered for the Promoter’s Contribution includes Equity Shares acquired during the immediately preceding one year from the date of this Draft Red Herring Prospectus, at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;
- Our Company has been formed by the conversion of partnership firm into a company and hence Equity Shares have been issued in the one year immediately preceding the date of this Draft Red Herring Prospectus and the partners of the erstwhile partnership firm are the promoters of our company and there is no change in the management. Also, the specified securities, allotted to the promoters against the capital existing in the erstwhile firm for a period of more than one year on a continuous basis;
- The Equity Shares forming part of the Promoter’s Contribution are not subject to any pledge.
- All the Equity Shares held by our Promoters are in dematerialized form as on the date of this Draft Red Herring Prospectus

### **Details of equity shares locked-in for six months**

In terms of Regulation 15 of the SEBI (ICDR) Regulations, 2018, in addition to the Minimum Promoters contribution which is locked in for eighteen months, as specified above, the entire pre-issue equity share capital constituting [●] Equity Shares shall be locked in for a period of six months from the date of allotment of Equity Shares in this Issue.

In terms of Regulation 15 of the SEBI (ICDR) Regulations, 2018, the Equity Shares which are subject to lock-in shall carry inscription '**non-transferable**' along with the duration of specified non-transferable period mentioned in the face of the security certificate. The shares which are in dematerialized form, if any, shall be locked-in by the respective depositories. The details of lock-in of the Equity Shares shall also be provided to the designated stock exchanges before the listing of the Equity Shares.

### ***Lock in of Equity Shares Allotted to Anchor Investors***

There shall be a lock-in of 90 days on fifty per cent of the shares allotted to the anchor investors from the date of allotment, and a lock-in of 30 days on the remaining fifty per cent of the shares allotted to the anchor investors from the date of allotment.

### **Other requirements in respect of lock-in:**

Pursuant to Regulation 21 of the SEBI ICDR Regulations, Equity Shares held by our Promoters which are locked-in, as per Regulation 16 of the SEBI ICDR Regulations, may be pledged as collateral security for a loan with a scheduled commercial bank, a public financial institution, Systemically Important Non-Banking Financial Company or housing finance company, subject to the following:

- with respect to the Equity Shares locked-in as the Minimum Promoter's Contribution for 18 months from the date of Allotment, the loan must have been granted to our Company for the purpose of financing one or more of the objects of the Issue;
- with respect to the Equity Shares locked-in for six months from the date of Allotment, such pledge of the Equity Shares must be one of the terms of the sanction of the loan.

However, the relevant lock-in period shall continue post the invocation of the pledge referenced above, and the relevant transferee shall not be eligible to transfer the Equity Shares till the relevant lock-in period has expired in terms of the SEBI ICDR Regulations.

In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoters which are locked-in, may be transferred to and amongst any member of the Promoter group or to any new Promoter, subject to continuation of lock-in in the hands of the transferees for the remaining period and compliance with provisions of the Takeover Regulations, as applicable and such transferee shall not be eligible to transfer them till the lock-in period stipulated in SEBI ICDR Regulations has expired. Further, the Equity Shares held by persons other than our Promoters and locked-in for a period of six months from the date of Allotment in the Issue, may be transferred to any other person holding Equity Shares which are locked-in, subject to the continuation of the lock-in in the hands of the transferee for the remaining period and compliance with provisions of the Takeover Regulations, as applicable and such transferee shall not be eligible to transfer them till the lock-in period stipulated in SEBI ICDR Regulations has expired.

17. Neither, we nor our Promoters, Directors and the BRLM to this Issue have entered into any buyback arrangements for the purchase of our Equity Shares from any person.
18. As on the date of this Draft Red Herring Prospectus, the entire issued, Subscribed and Paid-up Share Capital of our Company is fully paid up. Since the entire issue price in respect of the issue is payable on application, all the successful applicants will be allotted fully paid up Equity Share.
19. The BRLM i.e. Hem Securities Limited and their associates do not hold any Equity Shares in our Company as on the date of filing of this Draft Red Herring Prospectus.
20. As on the date of this Draft Red Herring Prospectus, we do not have any Employees Stock Option Scheme / Employees Stock Purchase Scheme and we do not intend to allot any shares to our employees under Employee Stock Option Scheme/ Employee Stock Purchase Plan 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.

21. We have 7 (Seven) shareholders as on the date of filing of this Draft Red Herring Prospectus.
22. As on the date of this Draft Red Herring Prospectus, none of the shares held by our Promoters / Promoters Group are subject to any pledge.
23. We shall ensure that transactions in Equity Shares by the Promoters and members of the Promoter Group, if any, between the date of filing the Red Herring Prospectus/ Prospectus with the Registrar of companies and the Bid/ Issue Closing Date are reported to the Stock Exchanges within 24 hours of such transactions being completed.

## OBJECTS OF THE ISSUE

The Issue includes a fresh Issue of upto 50,00,000 Equity Shares of our Company at an Issue Price of ₹ [●] per Equity Share aggregating up to ₹ [●] Lakhs. We intend to utilize the proceeds of the Issue to meet the following objects:-

1. To meet incremental working capital requirements (including augmentation on Long Term Working Capital)
2. General corporate purpose
3. To meet issue expenses

*(Collectively referred as the “Objects”)*

The main objects and objects incidental and ancillary to the main objects set out in the Memorandum of Association enable us (i) to undertake our existing business activities; and (ii) to undertake the activities proposed to be funded from the Net Proceeds.

Listing will enhance our corporate image and visibility of brand name of our Company. The Company will also receive the benefits from listing of Equity Shares on the BSE and NSE such as it will provide liquidity to the existing shareholders and will create a public trading market for the Equity Shares of our Company.

### **Net Proceeds**

The details of the proceeds from the Fresh Issue are summarized in the following table:

| <b>Particulars</b>   | <b>Amt (₹ in Lakhs)</b> |
|--|-------------------------|
| Gross Proceeds of the Issue                                      | [●]                     |
| Less: Issue related expenses in relation to Issue <sup>(1)</sup> | [●]                     |
| Net Proceeds   | [●]                     |

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

### **Requirement of Funds and Utilization of Net Proceeds**

The Net Proceeds are proposed to be used in accordance with the details as set forth below:

| <b>S. No</b> | <b>Particulars</b>                               | <b>Amt (₹ in Lakhs)</b> |
|--------------|--|-------------------------|
| 1.           | To meet incremental Working Capital requirements | 7000.00                 |
| 2.           | General Corporate Purpose <sup>(1)</sup>         | [●]                     |
|              | <b>Total</b>                                     | [●]                     |

*<sup>(1)</sup>To be finalized upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC. The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.*

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.

### **Means of Finance**

We intend to finance our Objects of Issue through Net Issue Proceeds which is as follows:

| <b>Particulars</b> | <b>Amt (₹ in Lakhs)</b> |
|--------------------|-------------------------|
| Net Issue Proceeds | [●]                     |
| <b>Total</b>       | [●]                     |

The working capital requirement to the extent of ₹ 3700.00 lakhs for Fiscal 2023 and ₹ 3300.00 lakhs for Fiscal 2024 will be met from the Net Proceeds and the balance amount will be funded through the internal accruals and existing sanctioned limits obtained from Banks. As on March 31, 2022, our Company has been sanctioned fund based cash credit (working capital) facilities aggregating to ₹ 600 lakhs from Punjab National Bank. Accordingly, we are in compliance with the requirements prescribed under Regulation 7(1) (e) of the SEBI ICDR Regulations, which require firm arrangements of finance to be made through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Fresh Issue and existing internal accruals. In case of a shortfall in the Net Proceeds or any increase

in the actual utilization of funds earmarked for the Objects, our Company may explore a range of options including utilizing our internal accruals.

If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding existing objects, if required. In case of delays in raising funds from the Issue, our Company may deploy certain amounts towards any of the above mentioned Objects through a combination of Internal Accruals or Unsecured Loans (Bridge Financing) and in such case the Funds raised shall be utilized towards repayment of such Unsecured Loans or recouping of Internal Accruals. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds.

As we operate in competitive environment, our Company may have to revise its business plan from time to time and consequently our fund requirements may also change. Our Company's historical expenditure may not be reflective of our future expenditure plans. Our Company may have to revise its estimated costs, fund allocation and fund requirements owing to various factors such as economic and business conditions, increased competition and other external factors, which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of the Company's management.

For further details on the risks involved in our business plans and executing our business strategies, please see the section titled "*Risk Factors*" beginning on page 27 of this Draft Red Herring Prospectus.

### Details of Utilization of Net Proceeds

The details of utilization of the Net Proceeds are set forth herein below:

#### 1. To Meet incremental Working Capital Requirements (including augmentation on Long Term Working Capital)

We fund a majority of our working capital requirements in the ordinary course of business from various banks, unsecured loan and internal accruals. As on March 31, 2022, the outstanding amount of total borrowings undertaken by our Company was ₹ 1368.28 lakhs. For details, see "Financial Indebtedness" beginning on page 235.

Our Company requires additional working capital for funding its incremental working capital requirements and unlocking the internal accruals deployed in working capital. The funding of the incremental working capital requirements will lead to a consequent increase in our profitability, ability to utilize internal accruals for growth opportunities and achieving the proposed targets as per our business plan.

#### *Basis of estimation of incremental working capital requirement*

Our Company proposes to utilize ₹ 3700 Lakhs & ₹ 3300 Lakhs of the Net Proceeds in Fiscal 2023 & Fiscal 2024 respectively towards our Company's working capital requirements. The balance portion of our Company's working capital requirement shall be met from the working capital facilities availed and internal accruals. The incremental and proposed working capital requirements, as approved by the Board pursuant to a resolution dated August 24, 2022 and key assumptions with respect to the determination of the same are mentioned below. Our Company's composition of net current assets or working capital as at March 31, 2022, March 31, 2021 and March 31, 2020 on the basis of restated financial statements and expected working capital requirements for Fiscal 2023 & Fiscal 2024 are as set out in the table below:

| (₹ In Lakhs) |   |                   |               |                |                |                 |
|--------------|---|-------------------|---------------|----------------|----------------|-----------------|
| S. No.       | Particulars   | Actual (Restated) |               |                | Estimated      |                 |
|              |   | 31-March-20       | 31-March-21   | 31-March-22    | 31-March-23    | 31-March-24     |
| <b>I</b>     | <b>Current Assets</b>                                 |                   |               |                |                |                 |
|              | Inventories   |                   |               |                |                |                 |
|              | Work in Progress                                      | -                 | 50.17         | 116.52         | 845.30         | 1062.11         |
|              | Finished Goods  | 480.42            | 303.10        | 627.34         | 1608.82        | 2084.58         |
|              | Trade receivables                                     | 610.69            | 411.62        | 2668.34        | 5764.54        | 7467.85         |
|              | Cash and Bank Deposits                                | 19.76             | 4.53          | 273.92         | 45.83          | 165.39          |
|              | Other Financial Assets                                | 15.78             | 7.98          | 281.08         | 500.00         | 600.00          |
|              | Other Current Assets (including advance to suppliers) | 43.60             | 79.78         | 293.54         | 600.00         | 730.00          |
|              | <b>Total (A)</b>                                      | <b>1170.25</b>    | <b>857.18</b> | <b>4260.74</b> | <b>9364.49</b> | <b>12109.93</b> |

|            |  |               |               |                |                |                 |
|------------|--|---------------|---------------|----------------|----------------|-----------------|
| <b>II</b>  | <b>Current Liabilities</b>             |               |               |                |                |                 |
|            | Trade payables                         | 525.52        | 424.55        | 1799.37        | 859.69         | 1052.05         |
|            | Current Tax Liabilities (Net)          | 0.00          | 0.00          | 91.78          | 85.14          | 111.12          |
|            | Other Current Liabilities & Provisions | 88.68         | 75.64         | 141.28         | 183.77         | 234.20          |
|            | <b>Total (B)</b>                       | <b>614.20</b> | <b>500.19</b> | <b>2032.43</b> | <b>1128.60</b> | <b>1397.37</b>  |
| <b>III</b> | <b>Total Working Capital Gap (A-B)</b> | <b>556.05</b> | <b>356.99</b> | <b>2228.31</b> | <b>8235.89</b> | <b>10712.56</b> |
| IV         | Security Deposit*                      | 77.75         | 86.60         | 217.38         | 967.38         | 1942.38         |
|            | <b>Total Fund Requirement</b>          | <b>633.80</b> | <b>443.59</b> | <b>2445.69</b> | <b>9203.27</b> | <b>12654.94</b> |
| <b>IV</b>  | <b>Funding Pattern</b>                 |               |               |                |                |                 |
|            | Borrowings                             | 403.21        | 148.27        | 1299.71        | 1832.56        | 1819.94         |
|            | Internal Accruals                      | 230.59        | 295.32        | 1145.98        | 3670.71        | 7535.00         |
|            | <b>IPO Proceeds</b>                    |               |               |                | <b>3700.00</b> | <b>3300.00</b>  |

CNK & Associates LLP, Chartered Accountants have, vide their certificate dated August 27, 2022,, certified the working capital requirements of our Company

\* We are required to provide a security deposit equal to a fixed percentage of the work order price, which is around 3% of the work order value as a security for performance of the work order. The security deposit is retained by the customer for a period of 3 years. The retained amount is classified under 'Non-current assets' in the Restated Financial Information and management is of the opinion that same should be classified as part of long term working capital.

The below table sets forth the details of the holding period:

| S. No.    | Particulars                | Actual (Restated) |             |             | Estimated   |             |
|-----------|----------------------------|-------------------|-------------|-------------|-------------|-------------|
|           |                            | 31-March-20       | 31-March-21 | 31-March-22 | 31-March-23 | 31-March-24 |
| <b>I</b>  | <b>Current Assets</b>      |                   |             |             |             |             |
|           | Inventories                |                   |             |             |             |             |
|           | -Work in progress          | -                 | 11          | 3           | 15          | 15          |
|           | -Stock in Trade            | 246               | 59          | 15          | 31          | 31          |
|           | Trade receivables          | 166               | 49          | 43          | 76          | 76          |
| <b>II</b> | <b>Current Liabilities</b> |                   |             |             |             |             |
|           | Trade payables             | 216               | 88          | 42          | 15          | 15          |

**Justification:**

| S. No.                                      | Particulars  |
|---|--|
| <b>Work in progress</b>                     | The historical holding days of WIP inventory (calculated as closing inventory on balance sheet date divided by cost of goods sold over 365 days) has been in range 3 to 11 days during the last two financial years. Company estimates WIP holding days to be 15 days in FY2022-23 & FY2023-24. It seems to be reasonable looking to nature & volume of the business activities of the company.  |
| <b>Stock in trade</b>                       | The historical holding days of Stock in Trade (calculated as closing inventory on balance sheet date divided by cost of goods sold over 365 days) has been in range of 15 to 246 days in the last three financial years. Our Company estimates stock in trade holding days to be 31 days in FY 2022-23 & FY 2023-24. The same seems to be reasonable in view of lead time for procurement of Finished goods at project site, completion of turnkey projects in time, Economic order quantity (EOO) as well as nature & volume of business activity of the company. |
| <b>Trade Receivables</b>                    | The historical holding days of trade receivables (calculated as closing trade receivables divided by gross sales from operations over 365 days) has been 43 to 166 days in the last three financial years. As per the current credit terms of the company & prevalent trend in business of the company, the holding level for debtors anticipated at 76 days of total gross sales during FY 2022-23 & FY2023-24.   |
| <b>Other Current &amp; Financial Assets</b> | Other Current & financial assets mainly consists of balances with revenue authorities, security deposit as well as EMD receivable in 12 months, advance to supplier, expenses paid in advance etc.   |
| <b>Trade Payable</b>                        | Past trend of trade payable (calculated as closing trade payables as on balance sheet date divided by credit purchase over 365 days) has been between the ranges of 42 to 216 days in the last three financial years. However, the company intends to reduce trade payable in the range of 15 days for F Y 2022-23 & FY2023-24 to avail cash discount as well as competitive purchase price to increase overall profitability of the company.  |

|                                  |  |
|----------------------------------|--|
| <b>Other Current Liabilities</b> | The key items under this head are statutory dues, advance from customers, salary and wages payables and income received in advance. All these items have been estimated within the same range as in the last financial year. |
|----------------------------------|--|

## 2. General Corporate Purpose

Our Company proposes to deploy the balance Net Proceeds aggregating to ₹ [●] Lakhs towards general corporate purposes, subject to such amount not exceeding 25% of the Gross Proceeds, in compliance with the SEBI ICDR Regulations. The general corporate purposes for which our Company proposes to utilise Net Proceeds include strategic initiatives, funding growth opportunities, expansion initiatives and meeting exigencies, brand building, and meeting expenses incurred by our Company in the ordinary course of business or capital expenditure, or other uses or contingencies, as may be applicable.

In addition to the above, our Company may utilise the Net Proceeds towards other expenditure considered expedient and as approved periodically by our Board, subject to compliance with necessary provisions of the Companies Act. The quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company, from time to time. Our Company's management shall have flexibility in utilising surplus amounts, if any.

## 3. Public Issue Expenses

The total expenses of the Issue are estimated to be approximately ₹ [●] Lakhs.

The Issue related expenses primarily include fees payable to the BRLM and legal counsels, fees payable to the Auditors, brokerage and selling commission, underwriting commission, commission payable to Registered Brokers, RTAs, CDPs, SCSBs' fees, Sponsor Bank's fees, Registrar's fees, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges. The estimated Issue related expenses are as under:

| Activities  | (Rs .in Lakh)* | As a % of Estimates Issue Expenses | As a % of Issue Size |
|---|----------------|------------------------------------|----------------------|
| Book Running Lead Manager Fees  | [●]            | [●]                                | [●]                  |
| Underwriting Commission   | [●]            | [●]                                | [●]                  |
| Brokerage and selling commission  |                |                                    |                      |
| Fees Payable to Registrar to the Issue  | [●]            | [●]                                | [●]                  |
| Fees Payable to Statutory Auditor, Fees to Legal Advisors and other consultants   | [●]            | [●]                                | [●]                  |
| Fees Payable to Advertising and Marketing Expenses  | [●]            | [●]                                | [●]                  |
| Listing fees, SEBI filing fees, upload fees, BSE & NSE processing fees, book building software fees and other regulatory expenses   | [●]            | [●]                                | [●]                  |
| Payment for Printing & Stationery, Distribution, Postage, etc.  | [●]            | [●]                                | [●]                  |
| Others (Commission/processing fee for SCSBs, Sponsor Bank and Banker(s) to the Issue and brokerage and selling commission and bidding charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs and Miscellaneous Expenses) | [●]            | [●]                                | [●]                  |
| <b>Total</b>  | [●]            | [●]                                | [●]                  |

\*Issue expenses include applicable taxes, where applicable. Issue expenses will be finalized on determination of Issue Price and incorporated at the time of filing of the Prospectus. Issue expenses are estimates and are subject to change.

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

|   |   |
|---|---|
| Portion for Retail Applicants*            | [●]% of the Amount Allotted (plus applicable taxes) |
| Portion for Non Institutional Applicants* | [●]% of the Amount Allotted (plus applicable taxes) |

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

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

|                               |   |
|-------------------------------|---|
| Portion for Retail Applicants | ₹ [●] per valid application (plus applicable taxes) |
|-------------------------------|---|

|  |   |
|--|---|
| Portion for Non Institutional Applicants   | ₹ [●] per valid application (plus applicable taxes)   |
| 3) The processing fees for applications made by UPI Bidders would be as follows: |   |
| Sponsor Bank   | ₹ [●] per valid Bid cum Application Form (plus applicable taxes)  |
|  | The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NCPI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable law |

4) Selling commission on the portion for Retail Individual Investors and Non-Institutional Investors which are procured by members of the Syndicate (including their sub-Syndicate Members), Registered Brokers, CRTAs and CDPs would be as follows:

|   |   |
|---|---|
| Portion for Retail Applicants*            | [●]% of the Amount Allotted (plus applicable taxes) |
| Portion for Non Institutional Applicants* | [●]% of the Amount Allotted (plus applicable taxes) |

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

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

### **Proposed Schedule of Implementation:**

The proposed year wise break up of deployment of funds and Schedule of Implementation of Net Issue Proceeds is as under:

| S. No. | Particulars                          | (₹ In Lakhs)                          |              |
|--------|--------------------------------------|---------------------------------------|--------------|
|        |                                      | Amount to be deployed and utilized in |              |
|        |                                      | F.Y. 2022-23                          | F.Y. 2023-24 |
| 1.     | To meet Working Capital Requirements | 3700.00                               | 3300.00      |
| 2.     | General Corporate Purpose            | [●]                                   | [●]          |
|        | <b>Total</b>                         |                                       | [●]          |

### **Appraisal**

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

### **Shortfall of Funds**

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

### **Bridge Financing Facilities**

As on the date of the Draft Red Herring Prospectus, we have not raised any bridge loans, which are proposed to be repaid from the Net Proceeds.

### **Monitoring Utilization of Funds**

In accordance with Regulation 41 of the SEBI ICDR Regulations, our Company shall appoint a Monitoring Agency for monitoring the utilization of Net Proceeds prior to the filing of the Red Herring Prospectus with the RoC, in case the proposed Fresh Issue exceeds ₹ 1,000 million.

Our Audit Committee and the Monitoring Agency, if appointed will monitor the utilization of the Net Proceeds and shall submit the report required under Regulation 41(2) of the SEBI ICDR Regulation, on a quarterly basis, until such time as the Net Proceeds have been utilized in full. Our Company will disclose and continue to disclose, the utilization of the Net Proceeds, including interim use under a separate head in our balance sheet for such fiscals as required under applicable

law, clearly specifying the purposes for which the Net Proceeds have been utilized, till the time any part of the Net Proceeds remains unutilized.

The Audit Committee shall make recommendations to our Board for further action, if appropriate. On an annual basis, our Company shall prepare as statement of funds utilized for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilized. Such disclosure shall be made only until such time that all the Net Proceeds have been utilized in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilization of the proceeds of the Issue from the Objects of the Issue as stated above; and (ii) details of category wise variations in the actual utilization of the proceeds of the Issue from the Objects of the Issue as stated above.

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

Pending utilization of the Issue proceeds of the Issue for the purposes described above, our Company will deposit the Net Proceeds with scheduled commercial banks included in schedule II of the RBI Act.

Our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any listed company or for any investment in the equity markets or investing in any real estate projects or real estate linked products.

#### **Variation in Objects**

In accordance with Section 27 of the Companies Act, 2013, our Company shall not, at any time, vary the objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act and shall be published in accordance with the Companies Act and the rules made there under. As per the current provisions of the Companies Act, our Promoters or controlling Shareholders would be required to provide an exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

#### **Other confirmations**

There is no material existing or anticipated transactions with our Promoter, our Directors and our Company's key Managerial personnel, in relation to the utilization of the Net Proceeds. No part of the Net Proceeds will be paid by us as consideration to our Promoters, our Directors or key managerial personnel except in the normal course of business and in compliance with the applicable laws.

## **BASIS FOR ISSUE PRICE**

The Issue Price will be determined by our Company, in consultation with the Book Running Lead Manager, on the basis of assessment of market demand for the Equity Shares issued through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 10 each and the Issue Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band.

Bidders should read the below mentioned information along with “Risk Factors”, “Our Business”, “Restated Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 27, 103, 152 and 207, respectively, to have an informed view before making an investment decision

### **QUALITATIVE FACTORS**

Some of the qualitative factors which form the basis for computing the Issue Price are as follows:

1. *Rapid growth in the business with focus on setting up of healthcare infrastructure.*
2. *Track record of execution capabilities of setting up ICUs NICUs PICUs as well as Operation Theatre.*
3. *Firm arrangement with many medical equipment suppliers and manufacturers.*
4. *Wide customer base including many Private and Government Hospital /Medical college.*
5. *Experienced Promoters with technical team having domain knowledge.*
6. *Asset light scalable business model.*

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled “**Our Business**” beginning on page 103 of this Draft Red Herring Prospectus.

### **QUANTITATIVE FACTORS**

The information presented below relating to our Company is based on the Restated Financial Statements. For details, please refer section titled “**Financial Information**” on page 152 of this Draft Red Herring Prospectus.

Some of the quantitative factors which may form the basis for calculating the Issue Price are as follows:

#### **1. Basic and Diluted Earnings Per Share (“EPS”) at face value of ₹ 10/-, as adjusted for change in capital:**

As per the Restated Financial Statements and as adjusted for change in capital:-

| <b>Sr. No</b> | <b>Period</b>           | <b>Basic &amp; Diluted (₹)</b> | <b>Weights</b> |
|---------------|-------------------------|--------------------------------|----------------|
| 1.            | FY 2019-20              | 0.47                           | 1              |
| 2.            | FY 2020-21              | 0.61                           | 2              |
| 3.            | FY 2021-22              | 11.86                          | 3              |
|               | <b>Weighted Average</b> | <b>6.22</b>                    |                |

#### **Notes:**

- i. *The figures disclosed above are based on the Restated Financial Statements of the Company as adjusted for change in capital.*
- ii. *The Company in its Annual general meeting held on August 06, 2022, after the Balance Sheet date of March 31, 2022, has approved a bonus issue of 7000000 equity share of ₹10 each in the ratio of one share for every one share held. The computation given above is after taking into account the bonus share.*
- iii. *The face value of each Equity Share is ₹10.00.*
- iv. *Earnings per Share has been calculated in accordance with Ind AS 33 – “Earnings per Share” issued by the Institute of Chartered Accountants of India.*
- v. *Basic Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders / Weighted average number of equity shares outstanding during the year/ period*
- vi. *Diluted Earnings per Share = Net Profit/ (Loss) after tax, as restated attributable to equity shareholders / Weighted average number of diluted potential equity shares outstanding during the year/ period.*

#### **2. Price Earning (P/E) Ratio in relation to the Price Band of ₹ [●] to ₹ [●] per Equity Share of Face Value of Rs 10/- each fully paid up.**

| Particulars  | (P/E) Ratio at the Floor Price | (P/E) Ratio at the Cap Price |
|--|--------------------------------|------------------------------|
| P/E ratio based on the Basic & Diluted EPS, as restated for FY 2021-22 | [●]                            | [●]                          |
| P/E ratio based on the Weighted Average EPS, as restated.              | [●]                            | [●]                          |

### 3. Industry Peer Group P/E ratio

There are no listed companies in India that engage in a business similar to that of our Company. Accordingly, it is not possible to provide an industry comparison in relation to our Company.

### 4. Return on Net worth (RoNW)\*

| Sr. No | Period  | RONW (%)     | Weights |
|--------|---|--------------|---------|
| 1      | F.Y. 2019-20                                  | 17.48        | 1       |
| 2      | F.Y. 2020-21                                  | 19.82        | 2       |
| 3      | F.Y. 2021-22 (Refer Note ii below)            | 114.08       | 3       |
|        | <b>Weighted Average</b> (Refer Note ii below) | <b>66.56</b> |         |

\*Restated Profit after tax /Net Worth

#### Note:

i. The RoNW has been computed by dividing net profit after tax (excluding exceptional items) with restated Networth.  
ii. The company was originally formed as a partnership firm in the name of M/s Aprameya Engineering. Subsequently, the partnership firm was converted to the Company pursuant to a certificate of incorporation dated December 28, 2021 issued by the ROC. The shares were issued at par against the fixed capital of partners outstanding as on date of conversion i.e. 27.12.2021. The current capital portion of the Partners capital was transferred to unsecured loan from directors pursuant to conversion into Company.

### 5. Net Asset Value (NAV) per Equity Share:

| Sr. No. | NAV per Equity Share                 | (Amt. in ₹) |
|---------|--------------------------------------|-------------|
| 1.      | As on March 31, 2022                 | 10.40       |
| 2.      | As on March 31, 2021                 | 3.10        |
| 3.      | As on March 31, 2020                 | 2.67        |
| 4.      | NAV per Equity Share after the Issue | [●]         |
| 5.      | Issue Price                          | [●]         |

Net Asset Value per equity share represents net worth as at the end of the fiscal year divided by the number of Equity Shares outstanding at the end of the year. The Company in its Annual general meeting held on August 06, 2022, after the Balance Sheet date of March 31, 2022, has approved a bonus issue of 70,00,000. equity share of ₹10 each in the ratio of one share for every one share held. The computation given above is after taking into account the bonus share.

### 6. Comparison of Accounting Ratios with Industry Peers:

There are no listed companies in India that engage in a business similar to that of our Company. Accordingly, it is not possible to provide an industry comparison in relation to our Company.

### 7. The Issue Price is [●]times of the face value of the Equity Shares

The Issue Price of ₹ [●] has been determined by our Company, in consultation with the Book Running Lead Manager, on the basis of assessment of market demand from investors for Equity Shares through the Book Building Process, and is justified in view of the above qualitative and quantitative parameters.

Investors should read the abovementioned information along with “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Restated Financial Statements” beginning on pages 27, 103, 207 and 152, respectively, to have a more informed view.

The trading price of Equity Shares could decline due to factors mentioned in “Risk Factors” on page 27 and you may lose all or part of your investments.

## STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

### STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE LAWS IN INDIA

To,

**The Board of Directors**

**Aprameya Engineering Limited**

908, 9th Floor, Venus Atlantis Corporate Park

Anandnagar, Prahladnagar, Ahmedabad Gujarat 380015 India

Dear Sirs,

**Re: Proposed initial public offering of equity shares of face value of Rs. 10 each (“Equity Shares” and such initial public offer, an “IPO” or “Issue”) of Aprameya Engineering Limited (the “Company”).**

We hereby report that the enclosed Annexure II prepared by the Company, initialed by us and the Company for identification purpose, states the possible special tax benefits available to the Company and its shareholders, under direct and indirect taxes (together “**the Tax Laws**”), presently in force in India as on the signing date, which are defined in Annexure I. These possible special tax benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company and its shareholders to derive these possible special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company and its shareholders may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure II cover the possible special tax benefits available to the Company and its shareholders but does not cover any general tax benefits available to the Company and its shareholders. Further, the preparation of the enclosed Annexure II and its contents is the responsibility of the management of the Company and is not exhaustive. We were informed that the Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing Tax Laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares of the Company comprising a fresh issue of the Equity Shares by the Company. Neither we are suggesting nor advising the investors to invest money based on this Statement.

We conducted our examination in accordance with the “Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)” (the “**Guidance Note**”) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services Engagements.

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

- i) the Company and its shareholders will continue to obtain these possible special tax benefits in future; or
- ii) the conditions prescribed for availing the possible special tax benefits where applicable, have been/ would be met with.

The contents of enclosed Annexures are based on the information, explanation and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

Our views expressed herein are based on the facts and assumptions indicated to us. 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 the Tax Laws 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. We shall not be liable to the Company for 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 the Company and any other person in respect of this Statement, except as per applicable law.

We hereby give consent to include this Statement in the Draft Red Herring Prospectus, Red Herring Prospectus, and the Prospectus, and in any other material used in connection with the proposed Issue. The Statement is not to be used, referred to or distributed for any other purpose without our prior written consent.

Yours faithfully,

For and on behalf of C N K & Associates LLP  
Chartered Accountants  
Firm Registration No. 101961W/W-100036

Pareen Shah  
Partner  
Membership No.: 125011

Place: Ahmedabad  
Date: August 27, 2022

## **ANNEXURE 1 TO THE STATEMENT OF POSSIBLE TAX BENEFITS**

*The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholders under the Income Tax Act 1961 presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.*

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

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

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

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

The Shareholders of the Company are not entitled to any special tax benefits under the Act

Note:

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

We hereby give our consent to include our above referred opinion regarding the tax benefits available to the Company and to its shareholders in the Draft offer documents / documents

## **ANNEXURE 2 TO THE STATEMENT OF POSSIBLE TAX BENEFITS**

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

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

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

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

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

The Shareholders of the Company are not entitled to any special tax benefits under the GST Act

Note:

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

We hereby give our consent to include our above referred opinion regarding the tax benefits available to the Company and to its shareholders in the Draft offer documents / documents

## **SECTION IV –ABOUT OUR COMPANY**

### **INDUSTRY OVERVIEW**

*Unless otherwise indicated, industry and market data used in this section has been derived from industry publications, in particular, the report titled “ICU Set-Up And Maintenance Market Report” dated August 19, 2022 (the “Industry Report”), prepared and issued by Reports & Data appointed and exclusively commissioned by and paid for by us in connection with the Issue. A copy of the ICU Set-Up And Maintenance Market Report is available on the website of our Company at [www.aelhealth.com](http://www.aelhealth.com). There are no parts, data or information (which may be relevant for the proposed Issue), that has been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the ICU Set-Up And Maintenance Market Report and included herein with respect to any particular year refers to such information for the relevant calendar year. For more information, see “Risk Factors” on page 27. Also see, “Certain Conventions, Presentation of financial, Industry and Market Data and Currency of Presentation” on page 17. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction. Unless otherwise stipulated, years indicated refer to calendar years.*

*While preparing its report, Reports & data has also sourced information from publicly available sources, including our Company’s financial statements available publicly. However, financial information relating to our Company presented in other sections of this Draft Red Herring Prospectus has been prepared in accordance with Ind AS and restated in accordance with the SEBI ICDR Regulations. Accordingly, any financial information of our Company in this section is not comparable with Ind AS financial information presented elsewhere in this Draft Red Herring Prospectus.*

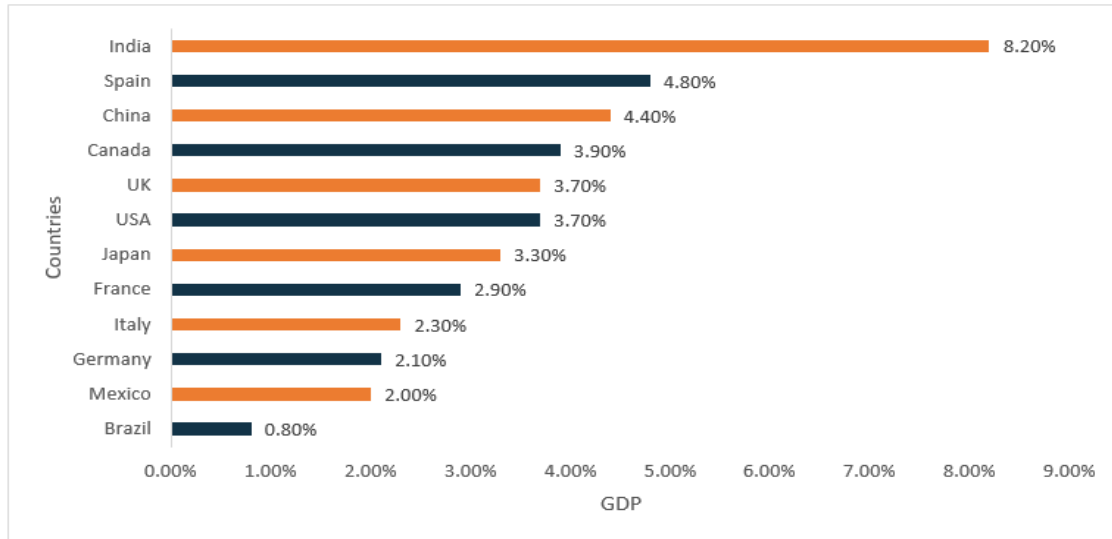
### **WORLD ECONOMY**

According to the flagship report of International Monetary Fund (IMF) - ‘World Economic Outlook’ released on 20th April 2022, the global economy is projected to grow by (+) 3.6 % in 2022. The downgrade largely reflects the war’s direct impacts on Russia and Ukraine and global spill overs. Both Russia and Ukraine are projected to experience large GDP contractions in 2022.

Advanced economies are projected to expand by (+) 3.3 % in 2022 which includes the USA (+ 3.7%), Japan (+ 2.4%), the United Kingdom (+ 3.7 %), Germany (+2.1 %), France (+2.9 %), Italy (+2.3%), and Spain (+4.8 %). The group of emerging markets and developing economies (EMDEs) is projected to expand by +3.8 % in 2022.

India is the world's fastest-growing major economy in the world, according to Gross domestic product (GDP) growth projections in the Financial Year (FY) 2022 by the International Monetary Fund (IMF). The IMF has projected a fairly robust growth of 8.2% for India in 2022, making it the fastest-growing major economy in the world, almost twice faster than China’s 4.4%. The global growth has been projected at 3.6% in 2022, down from 6.1% in 2021. The IMF's projection of global growth at 3.6% in 2022 and 2023 is 0.8 and 0.2 % lower than in the January forecast, respectively. The downgrade largely reflects the war's direct impacts on Russia and Ukraine and global spillovers.

**FIGURE 1 GDP GROWTH PROJECTIONS IN FY 2022**



Source: IMF, Journals and Whitepaper, Company Annual report, Primary Interviews, Reports and Data

**TABLE 1** OVERVIEW OF THE WORLD ECONOMIC OUTLOOK PROJECTIONS (% CHANGE)  
FROM 2020-2023

| Particulars                                     | 2020        | 2021       | Projections |            |
|---|-------------|------------|-------------|------------|
|   |             |            | 2022f       | 2023f      |
| World Output                                    | -3.1        | 6.1        | 3.6         | 3.6        |
| Advanced Economies                              | -4.5        | 5.2        | 3.3         | 2.4        |
| USA   | -3.4        | 5.7        | 3.7         | 2.3        |
| Euro Area                                       | -6.4        | 5.3        | 2.8         | 2.3        |
| Germany   | -4.6        | 2.8        | 2.1         | 2.7        |
| France  | -8          | 7          | 2.9         | 1.4        |
| Italy   | -9          | 6.6        | 2.3         | 1.7        |
| Spain   | -10.8       | 5.1        | 4.8         | 3.3        |
| Japan   | -4.5        | 1.6        | 2.4         | 2.3        |
| UK  | -9.3        | 7.4        | 3.7         | 1.2        |
| Canada  | -5.2        | 4.6        | 3.9         | 2.8        |
| Other Advanced Economies                        | -1.8        | 5          | 3.1         | 3          |
| <b>Emerging Market and Developing Economies</b> | <b>-2</b>   | <b>6.8</b> | <b>3.8</b>  | <b>4.4</b> |
| <b>Emerging and Developing Asia</b>             | <b>-0.8</b> | <b>7.3</b> | <b>5.4</b>  | <b>5.6</b> |
| China   | 2.2         | 8.1        | 4.4         | 5.1        |
| India   | -6.6        | 8.9        | 8.2         | 6.9        |
| ASEAN-5   | -3.4        | 3.4        | 5.3         | 5.9        |
| <b>Emerging and Developing Europe</b>           | <b>-1.8</b> | <b>6.7</b> | <b>-2.9</b> | <b>1.3</b> |

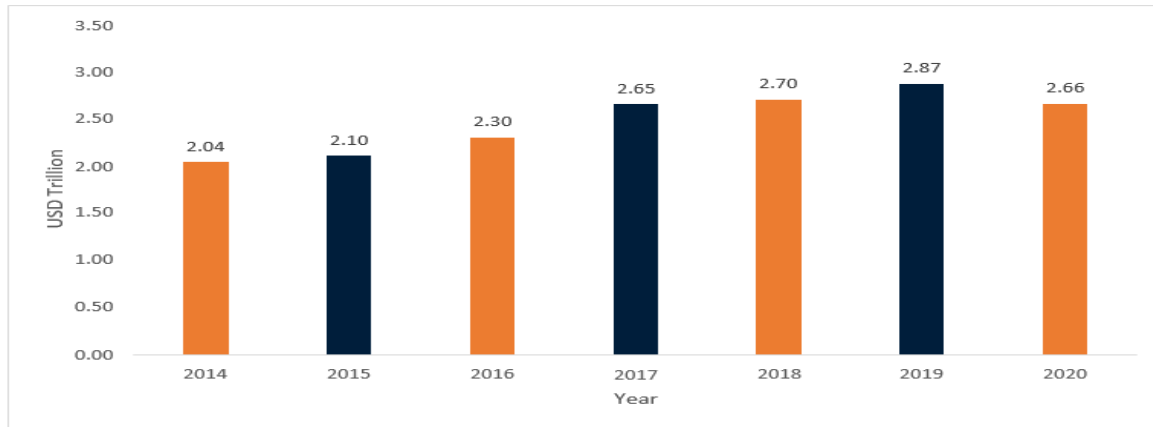
Source: IMF, Journals and Whitepaper, Company Annual report, Primary Interviews, Reports and Data

## INDIAN ECONOMY

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

- India's nominal gross domestic product (GDP) at current prices is estimated to be USD 3.12 trillion in FY22.
- India is the third-largest unicorn base in the world with over 100 unicorns with a total valuation of USD 332.7 billion.

**FIGURE 2 INDIA'S GROSS DOMESTIC PRODUCTION FROM 2014-2020**



Source: IBEF, Journals and Whitepaper, Company Annual report, Primary Interviews, Reports and Data

## HEALTHCARE SECTOR IN INDIA

Healthcare has become one of the largest sectors of the Indian economy, in terms of both revenue and employment. It has been growing at a CAGR of 22% since 2016, employing 4.7 million people directly. The sector has the potential to generate 2.7 million additional jobs in India between 2017-22-over 500,000 new jobs per year.

Several factors such as aging population, a growing middle class, the rising proportion of lifestyle diseases are driving the growth of the Indian healthcare sector. In addition, an increased emphasis on public-private partnerships as well as accelerated adoption of digital technologies, including telemedicine, besides heightened interest from investors and increased FDI inflows over the last two decades is also boosting growth.

The Indian government has established FDI-friendly policies and has implemented extensive structural and ongoing changes to enhance the healthcare sector. The Aatmanirbhar Bharat Abhiyaan packages include a number of immediate and long-term health system improvements, such as Production-Linked Incentive (PLI) programmes to increase domestic production of pharmaceuticals and medical equipment. Additionally, India is working towards becoming a hub for spiritual and wellness tourism, as the country has much to offer in Ayurveda and Yoga.

The COVID-19 pandemic has not only presented challenges but also several opportunities for India to grow. The crisis has opened the flood gates for Indian start-ups, many of whom have risen to the occasion and accelerated the development of low-cost, scalable, and quick solutions. Additionally, the pandemic is stimulating the country's market for home healthcare and telemedicine.

All these factors, together, make India's healthcare industry ripe for investment. In the hospital segment, the expansion of private players to Tier 2 and Tier 3 locations, beyond metropolitan cities, offers an attractive investment opportunity. Along with providing investment opportunities in sectors including contract manufacturing and research, over-the-counter drugs, and vaccines, India also has the chance to increase domestic pharmaceutical manufacture, supported by the most current PLI initiatives. The proliferation of diagnostic and pathology centers as well as miniaturized diagnostics presents enormous prospects for businesses in the medical devices market in India.

Over the previous two decades, India has emerged as one of the fastest-growing emerging economies, attracting huge FDI inflows that have increased from USD 2.5 billion in 2000-2001 to USD 50 billion in 2019-2020. Investors have become more interested in the healthcare sector in recent years, with transaction values jumping from USD 94 million in 2011 to USD 1,275 million in 2016. All of these variables combine to generate a plethora of investment opportunities in India's healthcare sector.

Certain demographic and epidemiological changes are expected to increase healthcare demand while also influencing the types of health services required in the future. One such development is increased income, which may result in roughly 73 million Indian households entering into the middle class over the next ten years, boosting their purchasing power, especially in healthcare.

By 2026, it is anticipated that 8% of Indians will earn more than USD 12,000 per year. Another noteworthy trend is the rise in life expectancy and the ageing of the population. India's life expectancy is expected to exceed 70 years by 2022, while the country's population is expected to grow to 1.45 billion by 2028, making it the world's most populous country.

While India has the largest population of youth of any country in the World, the number of senior citizens (those aged 60 and more) is also increasing. In fact, it is predicted that by 2041, the proportion of senior citizens in India's population will have doubled, from 8.6% in 2011. India is anticipated to have 300 million senior persons by the year 2050.

## CURRENT SCENARIO

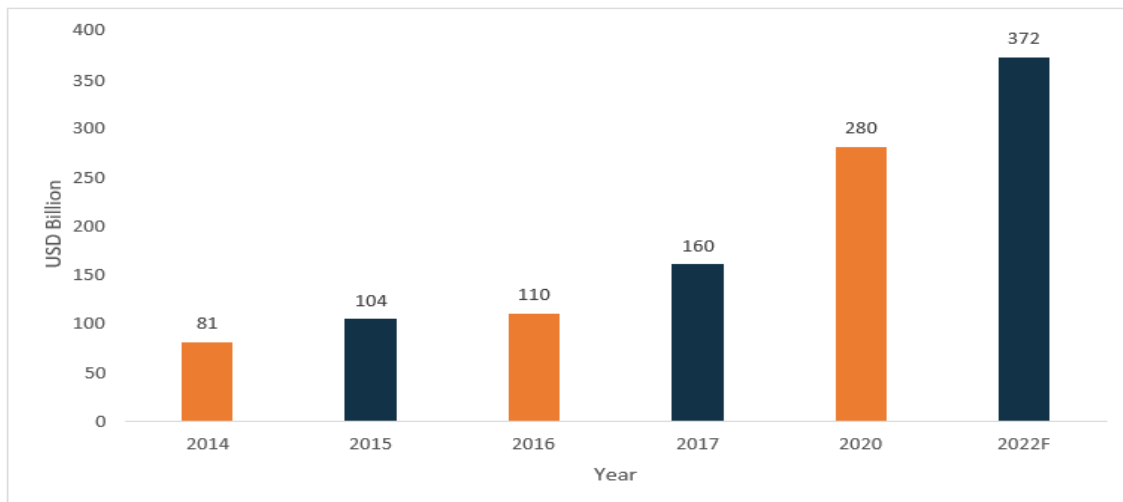
| Strong Demand   | Attractive Opportunities  | Rising Power  | Policy and Government support   |
|---|---|---|---|
| <ul style="list-style-type: none"> <li>Healthcare market in India is expected to reach USD 372 Billion by 2022, driven by rising income, better health awareness, lifestyle diseases and increasing access to insurance.</li> <li>As of 2021, the Indian healthcare sector is one of India's largest employers as it employs a total of 4.7 Million people</li> </ul> | <ul style="list-style-type: none"> <li>In the Economic Survey of 2022, India's public expenditure on healthcare stood at 2.1% of GDP in 2021-22 against 1.8% in 2020-21</li> <li>Two vaccines (Bharat Biotech's Covaxin and Oxford-AstraZeneca's Covishield manufactured by SII)- were instrumental in medically safeguarding the Indian population against COVID-19</li> </ul> | <ul style="list-style-type: none"> <li>Availability of a large pool of well-trained medical professionals in the country</li> <li>The number of allopathic doctors with recognized medical qualifications registered with state medical councils/national medical council increased to 1.27 Million in July 2021, from 0.83 million in 2020.</li> </ul> | <ul style="list-style-type: none"> <li>In union Budget 2022-23, USD 11.28 Billion was allocated to the Ministry of Health and Family Welfare.</li> <li>The Indian government is planning to introduce a credit incentive programme worth USD 6.8 Billion to boost the country's healthcare infrastructure.</li> </ul> |

**FIGURE 4 MAJOR SEGMENTS IN INDIA'S HEALTHCARE SECTOR**



Source: NITI AAYOG, Journals and Whitepaper, Company Annual report, Primary Interviews, Reports and Data

**FIGURE 5 GROWTH TREND OF INDIA'S HEALTHCARE SECTOR (USD BILLION) FROM 2014-2022**

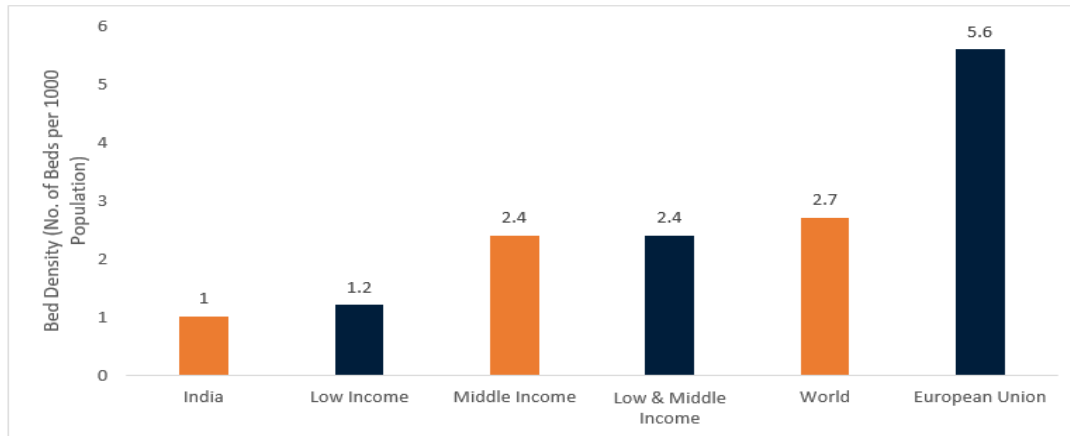


Source: NITI AAYOG, Journals and Whitepaper, Company Annual report, Primary Interviews, Reports and Data

## HEALTHCARE INFRASTRUCTURE IN INDIA

Despite economic growth and modernization, India continues to face significant challenges of unavailability and unaffordability in healthcare services. This is substantiated by the fact that India has a lower Bed Density than the rest of the world.

**FIGURE 6 BED DENSITY (NUMBER OF HOSPITAL BEDS PER 1000 POPULATION) IN INDIA COMPARED TO OTHER PARTS OF THE WORLD, 2021**



Source: World Bank, Journals and Whitepaper, Company Annual report, Primary Interviews, Reports and Data

## INDIA ICU SET-UP AND MAINTENANCE MARKET OVERVIEW

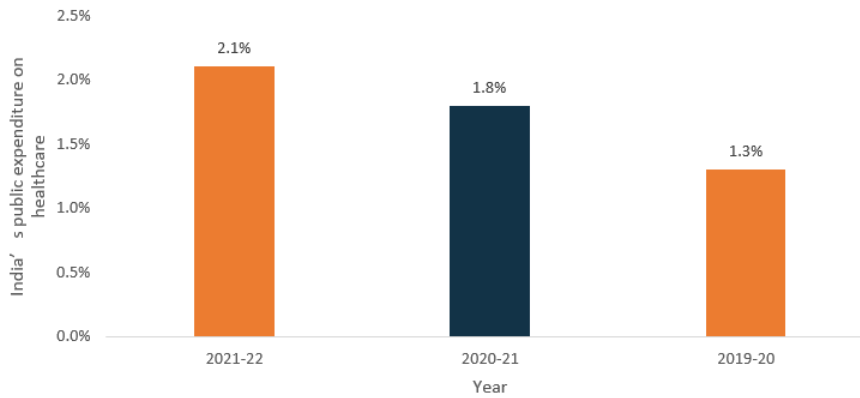
The Indian healthcare sector is experiencing rapid change and has become one of India's largest sectors, both in terms of revenue and employment. This change has become significantly more visible over the last decade, with a renewed focus from the government and a growing market demand for healthcare services and products. The Indian population of nearly 1.4 billion is growing at a rate of 1.6 percent per year and has an elderly population of over 100 million. Rapid economic growth, rising middle class incomes, and increased market penetration of health insurance are fueling growth in the industry. In addition, changing demographics and a shift from chronic to lifestyle diseases has led to a boom in healthcare spending.

The Indian healthcare industry reached \$190 billion in 2020, and according to the India Brand Equity Foundation (IBEF), it is expected to reach \$370 billion by 2024-2025, due to increased demand for specialized and higher quality healthcare facilities. The products and services driving this growth include hospitals, medical devices, clinical trials, telemedicine, medical tourism, health insurance, and medical equipment.

The industry's rapid development is fueled by large investments from existing corporate hospital chains and new entrants backed by private equity investors. However, considerable challenges exist in terms of service accessibility and patient care quality. According to the Global Burden of Disease Study (GBD), released by the Lancet Medical Journal in 2018, India ranks 145th among 195 countries on the healthcare index. India's healthcare access and quality (HAQ) index score has improved in recent years, increasing from 44.8 (out of 100) in 2015 to 67.3 in 2020.

In the Economic Survey of 2022, India's public expenditure on healthcare stood at 2.1% of GDP in 2021-22 against 1.8% in 2020-21 and 1.3% in 2019-20.

**FIGURE 8** INDIA'S PUBLIC EXPENDITURE ON HEALTHCARE (%)



Source: NCBI, ISCCM, CDDEP, CDC, Journals and Whitepaper, Company Annual report, Primary Interviews, Reports and Data

ICU is highly specified and sophisticated area of a hospital which is specifically designed, staffed, located, furnished and equipped, dedicated to management of critically sick patient, injuries or complications. It is a department with dedicated medical, nursing and allied staff. It operates with defined policies; protocols and procedures should have its own quality control, education, training and research programmes. It is emerging as a separate specialty and can no longer be regarded purely as part of anaesthesia, medicine, surgery or any other speciality. It has to have its own separate team in terms of doctors, nursing personnel and other staff who are tuned to the requirement of the speciality.

In India the scenario of ICU development is fast catching up and after initiatives, promotion, education and training programmes of Indian Society of Critical Care Medicine (ISCCM) during last 15 years, there has been stupendous growth in this area but much needs to be done in area of infrastructure, human resource development, protocol, guidelines formation and research which are relevant to Indian circumstances.

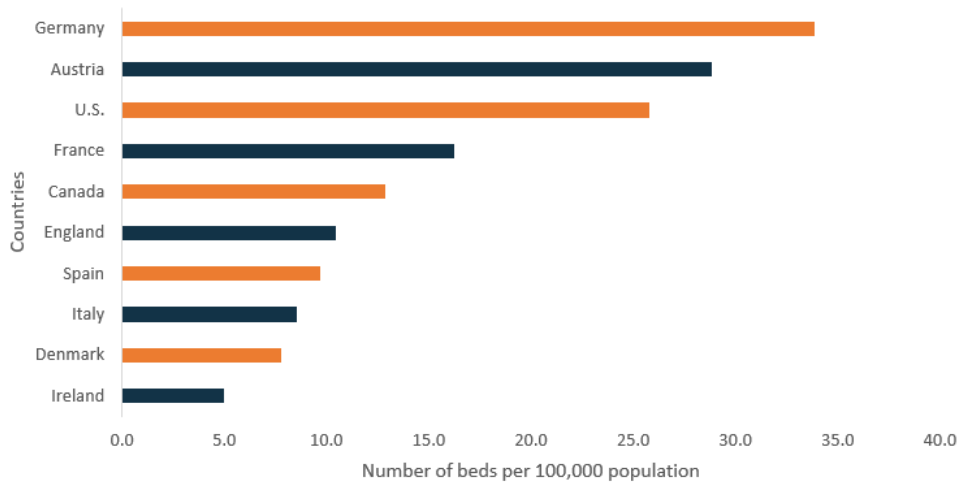
India is a diverse country with different levels of health care: primary, secondary and tertiary. At advanced centres in large cities, the ICU bed strength varies between less than 5% of the total hospital beds in majority of hospitals, to near 10% in selected few hospitals. Large public hospitals (e.g., some corporate/chain hospitals in the metropolitan cities/state-provincial capitals of the country) have separate medical, surgical, paediatric, cardiac, cardiothoracic, neurology, paediatric and neonatal ICUs. Most hospitals have all/broad purpose ICUs or, at most, medical, surgical, and coronary care units. The number of ICU beds available is disproportionately low, both in private as well as public hospitals. Obtaining a bed in ICU is quite often difficult for critically ill patients. Owing to shortage of ICU beds, only the most critical of the deserving patients are provided ICU care, that could contribute to high mortality inside the ICU as well as outside the ICU (in the wards).

The frequent outbreaks of pandemic diseases such as Influenza, Ebola, and the recent Covid-19, has put enormous pressure on healthcare authorities and health services to draft and discuss preparedness plans that include the increase in number of ICU beds, to accommodate critically ill patients. During pandemics, most patients require ICU admission and this drives the market for ICU beds. Even in most well-developed countries, ICU beds are often close to capacity during such out-breaks.

Patients with severe COVID-19 disease require approximately 14 days of respiratory support in ICU. Such lengthy treatment time will further stress resources. Therefore, the frequent outbreaks of pandemics are expected to drive the overall ICU beds market. Critical care is often described as expensive care that includes high cost of resources. In the U.S., although ICU beds comprise less than 10% of hospital beds, ICU departments consume 22% of total hospital costs. ICU beds tend to cost threefold higher than a bed in a general ward. ICU beds cost between \$25,000 and \$30,000, significantly more than other medical/surgical beds, which typically cost \$5,000 to \$10,000 a bed. Bariatric beds are even more expensive, which are nearly about \$35,000 to \$40,000 each. The escalating demand for critical care services put financial strain on both health care systems, and also on patients, who pay completely or partially out-of-pockets for these services. Therefore, high prices of ICU beds are a restraint on the growth of the ICU beds market.

As of 2020, it was estimated that Germany had around 34 intensive care beds in hospitals per 100,000 population. This statistic shows rates of intensive care beds in hospitals in select countries worldwide as of 2020. In the course of the COVID-19 pandemic, the availability of critical care beds has become a major issue across all affected countries.

**FIGURE 11 RATES OF INTENSIVE CARE BEDS IN HOSPITALS IN SELECT COUNTRIES  
WORLDWIDE, 2020**



**INDIA ICU STATISTICS**

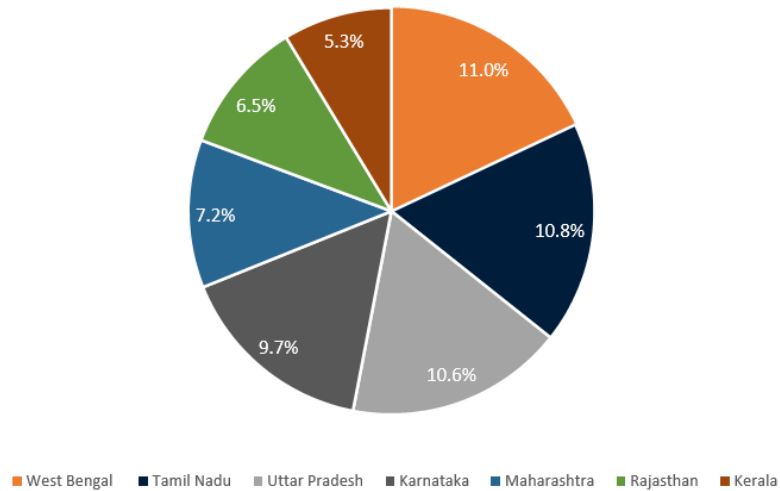
There were an estimated 95 thousand intensive care unit hospitals beds across India in 2019. Of these, private hospitals had the highest number of beds at around 59 thousand, compared to around 36 thousand ICU beds in public hospitals.

**TABLE 7 INDIA ICU STATISTICS: 2019**

|                                       |                    |
|---------------------------------------|--------------------|
| <b>Total Hospital Beds</b>            | <b>1.9 Million</b> |
| Public Hospital Beds                  | 713,986            |
| Private Hospital Beds                 | 1,185,242          |
| <b>Total Intensive Care Unit Beds</b> | <b>94,961</b>      |
| Public Intensive Care Unit Beds       | 35,699             |
| Private Intensive Care Unit Beds      | 59,262             |

Source: NCBI, ISCCM, CDDEP, CDC, Journals and Whitepaper, Company Annual report, Primary Interviews, Reports and Data

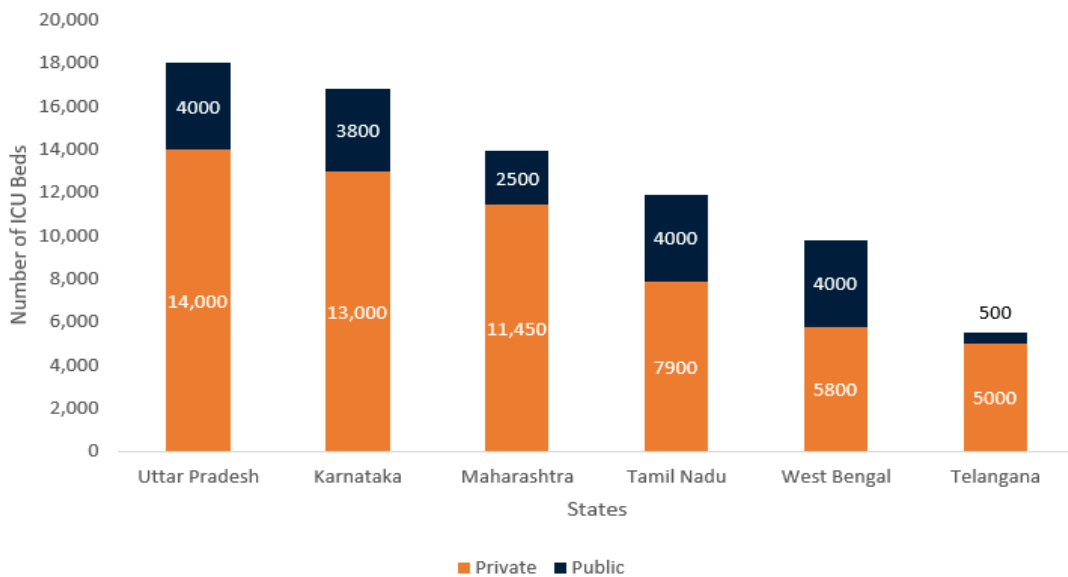
**FIGURE 9** PERCENTAGE SHARE OF NUMBER OF BEDS AND VENTILATORS AVAILABLE IN INDIA, 2020



Source: NCBI, ISCCM, CDDEP, CDC, Journals and Whitepaper, Company Annual report, Primary Interviews, Reports and Data

According to research, India has approximately 1,900,000 hospital beds, 95,000 ICU beds, and 48,000 ventilators. Most of the beds and ventilators in India are spread across seven states – West Bengal (11 percent), Tamil Nadu (10.8 percent), Uttar Pradesh (10.6 percent), Karnataka (9.7 percent), Maharashtra (7.2 percent), Rajasthan (6.5 percent) and Kerala (5.3 percent).

**FIGURE 10** NUMBERS OF ICU BEDS IN STATES ACROSS PUBLIC AND PRIVATE SECTORS, 2020



Source: NCBI, ISCCM, CDDEP, CDC, Journals and Whitepaper, Company Annual report, Primary Interviews, Reports and Data

## HEALTHCARE SECTOR IN INDIA: BOONS AND BANES

In India, about 62 % of the country's total health infrastructure is private. The capacity of the majority of public hospitals and private hospitals in the states is the same, with the exception of Chandigarh and Puducherry, where private hospitals have larger capacity than public hospitals (measured by beds to hospitals ratio, ICU to hospitals ratio, and ventilator to hospitals ratio).

### PRIVATE AND PUBLIC HEALTHCARE INFRASTRUCTURE IN INDIA, 2020

| Infrastructure | Private      | Public  |
|----------------|--------------|---------|
| Hospitals      | 43,486       | 25,778  |
| Beds           | 1.18 Million | 713,986 |
| Ventilators    | 29,631       | 17,850  |

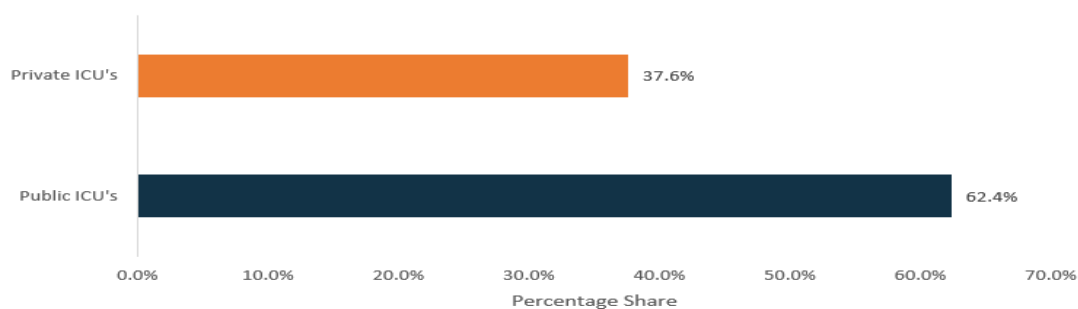
Source: MoHFW, DGFT, Journals and Whitepaper, Company Annual report, Primary Interviews, Reports and Data.

The top three states with the greatest disparity between private and public health infrastructure are Uttar Pradesh, Karnataka, and Maharashtra. These three states are home to 31 % of India's population. Private infrastructure outnumbers public infrastructure in Uttar Pradesh and Maharashtra by nearly 128,000 beds, 6,400 ICUs, and 3,200 ventilators. Private infrastructure outnumbers public infrastructure in Karnataka by 122,667 beds, 6,133 ICUs, and 3,067 ventilators.

Private hospitals, beds, ICUs, and ventilators ("Infrastructure") outnumber government infrastructure in 15 states (Andhra Pradesh, Bihar, Dadra & Nagar Haveli Daman & Diu, Gujarat, Haryana, Jharkhand, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Punjab, Tamil Nadu, Telangana, Uttar Pradesh, Uttarakhand). These 15 states account for roughly 74.25% of India's projected population for 2020 (including the population of Ladakh). These 15 states account for roughly 74.25 % of India's projected population for 2020 (including the population of Ladakh). In these 15 states, private infrastructure accounts for 69-70 % of all health infrastructure. In other states (where government infrastructure exceeds or equals private infrastructure), private infrastructure accounts for nearly 35-36 % of total health infrastructure.

However, the Covid-19 pandemic highlighted some of the peculiarities and shortcomings of India's healthcare infrastructure. This examines the private healthcare system, which is rapidly developing but comes at a high cost that many people cannot afford, and thus does not adequately supplement public healthcare.

**FIGURE 1 SHARE OF PRIVATE AND PUBLIC ICU'S IN INDIA, 2020**



Source: MoHFW, DGFT, Journals and Whitepaper, Company Annual report, Primary Interviews, Reports and Data.

## NEWBORN CARE IN INDIA

According to UNICEF data, nearly 3.5 million babies in India are born prematurely, 1.7 million are born with birth defects, and one million new-borns are discharged from Special New-born Care Units each year (SNCUs). These new borns continue to be at high risk of death, stunting, and developmental delay.

Investing in intrapartum and new born care services lowers the risk of newborn death. The Reproductive, Maternal, Newborn, Child, and Adolescent Health (RMNCH+A) strategy, which was launched in 2013, took a life course approach to newborn health, focusing on the continuum of care and strengthening health systems. The India Newborn Action Plan (INAP) 2014 was created to provide a roadmap for achieving the 2030 goals of "Single Digit Neonatal

Mortality" and "Single Digit Stillbirth." Furthermore, India's National Health Policy, 2017, endorsed the national consensus on achieving neonatal mortality targets more quickly. The India Strategy for Women's, Children's, and Adolescents' Health (I-WACH), which was released in December 2018, advances the life-course approach. It describes an integrated and multisector approach that recognizes the importance of health-promoting factors (such as maternal nutrition and education, water, clean air, sanitation, hygiene, and infrastructure) in addressing the underlying causes of preterm births and newborn deaths.

India assessed its progress against the INAP 2014 milestones and targets in 2020. India had met its goal of lowering the newborn mortality rate to 24 by 2017 and lowering the stillbirth rate to less than 19 in 2020.

Currently, Ayushman Bharat–Pradhan Mantri Jan Arogya Yojana (AB-PMJAY) covers 10 Neonatal Care packages, 5 of which are most commonly used for in-patient care and vary depending on the severity of the baby's condition at the time of birth.

## OVERVIEW OF MODULAR OPERATION THEATER

The goal of a modular operation theatre is to maximize efficiency, accuracy, and safety for the entire operating crew. By removing squandered time and resources, it is intended to improve patient outcomes and streamline the workflow. The use of a modular operating room helps operations run consistently and smoothly, lowering the risk involved in performing surgery. Savings from a modular operating room benefit the hospital as well as the patient. Patient movement is minimal because a wide range of operations can be performed in the same space. It saves the hospital money on the price of beds, the expense of hiring staff to carry patients, and much more.

Further, due to rising healthcare costs and the expansion of a technologically advanced healthcare infrastructure, modular operating rooms have become more and more popular in India. According to the NHM research, almost all district hospitals in India have one operating theatre, and 48% of them have an operating theatre exclusively for gynaecological procedures. Additionally, the majority of hospitals and institutes are planning to raise the number of OTs in their respective organizations as a result of the rising need. For instance, according to a 2021 report from the Ministry of Health and Family Welfare, the North Eastern Indira Gandhi Regional Institute of Health and Medical Sciences (NEIGRIHMS) in Shillong, Meghalaya, currently has 7 operating theatres. Construction of an additional 8 high modular operation theatres with the integration of 5 OTs is currently underway with approval from the Ministry of Health and Family Welfare.

## DIFFERENCES BETWEEN MODULAR OPERATION THEATRES AND CONVENTIONAL OPERATION THEATRES

| Modular operation theatres  | Conventional operation theatres   |
|---|---|
| Uses a mixture of Fresh air and Recycled air  | Uses 100% Fresh air   |
| Each Modular OT has a different Air conditioning system   | Uses a central air conditioning system  |
| Laminar Air flow system   | Flow of air involves eddy currents  |
| Anti-static flooring is an absolute requirement   | May not have anti-static flooring   |
| Energy efficient up to 60% by using Recycled air  | Not energy efficient  |
| Designed using 3D software's as per international and Nationalstandards                         | Designed using simple 2D CAD Design   |
| Temperature and humidity control is localized in each ModularOT                                 | Due to centralized AC system localized temperature control is quite difficult                               |
| Constructed by a single team of professionals who understandsthe mechanics of Operation theatre | Constructed by multiple vendors at the time of hospital construction, hence control becomes quite difficult |
| Contains standardized instrument and Equipment. Qualitycontrol is easy                          | Quality control is quite difficult when multiple vendors are used.  |

## AVERAGE NUMBER OF OT PER LAKH IN INDIA AND GLOBALLY

India is believed to be home to 1.26 lakh millionaires and has just one operation theatre per 1 lakh population. Eastern Europe has the most OTs per 100,000 people, followed by Asia Pacific, North America, and Australia.

**TABLE 9** AVERAGE NUMBER OF OT PER LAKH IN INDIA AND GLOBALLY

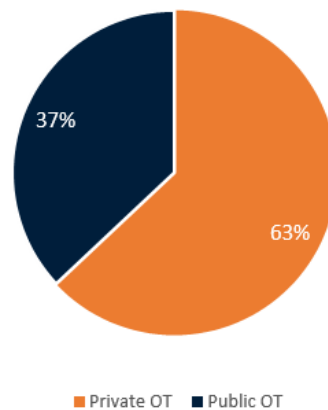
| Region                    | Number of OT's per lakh population |
|---------------------------|------------------------------------|
| Eastern Europe            | 25.1                               |
| Asia Pacific              | 24.3                               |
| North America & Australia | 14.3                               |
| India & Pakistan          | 1.3                                |
| China                     | 2.6                                |

Source: MoHFW, DGFT, Journals and Whitepaper, Company Annual report, Primary Interviews, Reports and Data.

### NUMBER OF GOVERNMENT OT IN INDIA

In India there were around 8694 number of government OT in 2020.

**FIGURE 4** PERCENTAGE SHARE OF GOVERNMENT AND PRIVATE OT IN INDIA, 2020



Source: MoHFW, DGFT, Journals and Whitepaper, Company Annual report, Primary Interviews, Reports and Data.

### OVERVIEW OF TURNKEY PROJECTS

Large-scale infrastructure projects are typically developed using a variety of methods. Turnkey project development is one of these methods. A turnkey project is one that is designed, developed, and outfitted with all necessary amenities by a company under contract. When it is ready to conduct business, it is handed over to a buyer.

**FIGURE 2** BENEFITS OF TURNKEY PROJECTS



Source: MoHFW, DGFT, Journals and Whitepaper, Company Annual report, Primary Interviews, Reports and Data.

**TABLE 5** TURNKEY V/S THE TRADITIONAL MODELS COMPARISON

| Approach                       | Traditional Project Management         | Turnkey  |
|--------------------------------|--|--|
| <b>Process</b>                 | Sequential: design, bid, and build.    | Overlapping of design and build stages           |
| <b>Service provider's role</b> | Management                             | Execution  |
| <b>Who hires the vendors</b>   | Client, after the bidding process      | Service provider has a team of supplier partners |
| <b>Project timeline</b>        | 32 weeks                               | 24 weeks: 25% of savings                         |
| <b>Better for projects</b>     | Budget-sensitive: large scale projects | Time-sensitive: small and medium scale projects  |

Source: MoHFW, DGFT, Journals and Whitepaper, Company Annual report, Primary Interviews, Reports and Data.

## TRENDS OF TURNKEY PROJECTS

Trend of turnkey projects is increasing due to substantial rise of ICU's and OT setups in India. This basically depends upon the increase in healthcare infrastructure and spending as most of the government organizations are looking towards the development of hospitals, ICU's, OT's through turnkey projects which minimizes the cost, time, and provides knowledge regarding the project. The trend is increasing due to the number of tenders passed/released by various government authorities. For instance, tender for setting up of 10 bedded intensive care unit by Gandhi Shatabdi Eye Hospital, Dehradun at Uttarakhand on turnkey basis during the year 2020.

Additionally, in April 2022, the Telangana government awarded a contract to Larsen and Toubro (L&T) for the development of a super speciality hospital in Warangal. A 1750 bed super specialty hospital will need to be built by the corporation as part of Telangana's Warangal Health City. This will be the tallest hospital building in the nation as well as one of the largest hospitals in the state with modern amenities. The project is anticipated to be completed by the corporation in 18 months.

## MAINTENANCE AND TRADING OF HIGH VALUE MEDICAL EQUIPMENT

Indian medical devices market stood USD 11 Billion in 2020. The market is expected to increase at a CAGR of 35.4% from 2020 to 2025, reaching USD 50 billion, according to data published by IBEF.

The Indian medical device is driven by 75- 80% imports from countries such as the U.S, China and Germany.

The Government of India (GOI) has commenced various initiatives to strengthen the medical devices sector, with emphasis on research and development (R&D) and 100% FDI for medical devices to boost the market.

**TABLE 5** IMPORT OF MEDICAL DEVICES IN INDIA FROM 2017-2025, (USD THOUSAND)

|                                 | 2017        | 2018        | 2019        | 2020        | 2021        | 2022        | 2023        | 2024        | 2025        |
|---------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>China</b>                    | 231,168.0   | 260,795.0   | 260,179.0   | 286,789.0   | 465,689.0   | 554,169.9   | 554,169.9   | 659,462.2   | 784,760.0   |
| <b>United States of America</b> | 377,241.0   | 369,483.0   | 379,284.0   | 264,858.0   | 374,418.0   | 373,715.6   | 373,014.4   | 372,314.6   | 371,616.1   |
| <b>Germany</b>                  | 246,410.0   | 233,330.0   | 225,969.0   | 179,138.0   | 206,070.0   | 197,062.5   | 188,448.6   | 180,211.3   | 172,334.1   |
| <b>Japan</b>                    | 104,404.0   | 117,046.0   | 110,255.0   | 80,041.0    | 102,190.0   | 101,643.9   | 101,100.7   | 100,560.4   | 100,023.0   |
| <b>Brazil</b>                   | 5,618.0     | 6,867.0     | 8,580.0     | 5,219.0     | 4,893.0     | 4,726.9     | 4,566.4     | 4,411.3     | 4,261.6     |
| <b>France</b>                   | 36,635.0    | 47,244.0    | 47,971.0    | 28,759.0    | 43,659.0    | 45,616.1    | 47,660.9    | 49,797.4    | 52,029.7    |
| <b>Italy</b>                    | 19,984.0    | 23,346.0    | 27,836.0    | 20,812.0    | 38,865.0    | 45,896.3    | 54,199.7    | 64,005.3    | 75,584.9    |
| <b>United Kingdom</b>           | 16,176.0    | 19,509.0    | 25,839.0    | 25,874.0    | 27,923.0    | 32,006.3    | 36,686.6    | 42,051.4    | 48,200.7    |
| <b>Australia</b>                | 5,651.0     | 5,852.0     | 6,566.0     | 1,572.0     | 2,992.0     | 2,552.2     | 2,177.1     | 1,857.1     | 1,584.2     |
| <b>Mexico</b>                   | 21,385.0    | 10,134.0    | 2,278.0     | 3,665.0     | 1,341.0     | 671.1       | 335.8       | 168.0       | 84.1        |
| <b>South Africa</b>             | 10.0        | 63.0        | 351.0       | 204.0       | 363.0       | 891.0       | 2,187.1     | 5,368.3     | 13,176.9    |
| <b>Others</b>                   | 1,949,560.0 | 2,356,991.0 | 2,543,803.0 | 1,967,847.0 | 2,904,936.0 | 3,297,102.4 | 3,742,211.2 | 4,247,409.7 | 4,820,810.0 |

Source: Trade Map, Journals and Whitepaper, Company Annual report, Primary Interviews, Reports and Data

## GOVERNMENT INITIATIVES

Some of the major initiatives taken by the Government of India to promote Indian healthcare industry are as follows:

In the Union Budget 2022-23:

1. USD 11.28 billion was allocated to the Ministry of Health and Family Welfare (MoHFW).
2. Pradhan Mantri Swasthya Suraksha Yojana (PMSSY) was allocated USD 1.31 billion
3. Human Resources for Health and Medical Education was allotted USD 982.91 million
4. National Health Mission was allotted USD 4.84 billion
5. Ayushman Bharat – Pradhan Mantri Jan Arogya Yojana (AB-PMJAY) was allotted USD 840.32 million
6. The Government of India approved continuation of ‘National Health Mission’ with a budget of USD 4.85 billion
7. USD 675.72 million was allocated to the newly announced PM-ABHIM to strengthen India’s health

infrastructure and improve the country's primary, secondary and tertiary care services.

As of April 5, 2022, 117,771 Ayushman Bharat-Health and Wellness Centres (AB-HWCs) are operational in India.

As of April 5, 2022, 748 e-Hospitals were established across India as part of the central government's 'Digital India' initiative.

A Scheme on "India Covid-19 Emergency Response and Health Systems Preparedness Package - Phase-II" (ECRP-Phase-II) during 2021-22 has been approved by the Cabinet on 8.07.2021 for an amount of ₹ 23,123 crores, to be implemented in 9 months from 1st July, 2021 to 31st March, 2022. The Scheme is aimed to prevent, detect and respond to the continuing threat posed by COVID-19 and strengthen national health systems for preparedness in India. The scheme is a Centrally Sponsored Scheme (CSS) with some Central Sector (CS) components.

Under CSS components of ECRP-II, support is provided to the States for provision for establishing District Pediatric Units (42 or 32 bedded units including Oxygen Supported beds and ICU beds) in all the Districts of the Country. Besides, support is also provided to increase the availability of ICU beds in Medical Colleges, District Hospitals, Sub District Hospitals and Community Health Centres.

## INVESTMENT OPPORTUNITIES

India's healthcare sector is in high demand from both foreign and indigenous investors. The Government's plans to increase budgetary allocation for public health spending to 2.5% of the country's GDP by 2025, will benefit the hospital sector as well. Specialty hospitals and tertiary care institutions in particular are in high demand. The amount of beds that are currently available and those that are needed are far apart. India has fewer hospital beds per 1,000 people than the rest of the world, which means that over the next 15 years, an additional 2.2 million beds will be required.

**TABLE 3** INVESTMENT OPPORTUNITIES IN HOSPITAL/MEDICAL INFRASTRUCTURE

| Sector                          | Investment Opportunities (IIG)            |
|---------------------------------|---|
| Medical Infrastructure          | 582 Opportunities worth USD 32.16 Billion |
| Pharma, Biotech & Life sciences | 81 Opportunities worth USD 364.37 Million |

Source: NITI AAYOG, Journals and Whitepaper, Company Annual report, Primary Interviews, Reports and Data

**TABLE 4** FDI (FOREIGN DIRECT INVESTMENT) IN INDIA'S HEALTH SECTOR (2000-2020)

|  |        |
|--|--------|
| <b>Health-related FDI (USD Million)</b>        | 25,357 |
| <b>Drugs &amp; Pharmaceuticals 16,501</b>      | 16,501 |
| <b>Hospital &amp; Diagnostic Centres 6,727</b> | 6,727  |
| <b>Medical &amp; Surgical Appliances 2,130</b> | 2,130  |

Source: NITI AAYOG, Journals and Whitepaper, Company Annual report, Primary Interviews, Reports and Data

## MARKET RESTRAINTS AND CHALLENGES ANALYSIS:

### *High Cost of Treatment and Expensive Set Up*

Despite the growing population and chronic disease burden, certain factors are restraining the growth of the market. One of the major restraining factors among them is the high price tag of critical care equipment. Higher costs of the equipment result in a higher cost per patient admission in the critical care unit. For instance, according to the economic analysis, the cost per patient admission in the ICU ranges from about USD 1,783 to USD 78,435. Hence, the overall treatment cost in the ICU is an out-of-pocket expense in emerging countries, which limits the market growth.

Due to the high cost associated with the equipment, many healthcare providers operating in emerging countries rely on purchasing refurbished equipment for their facilities. This factor significantly hampers the growth of the market. For instance, mid-sized private hospitals that account for over 90% of the total number of the healthcare providers in India cannot afford expensive systems, such as patient monitoring equipment and ventilators. In March 2020, the Union Ministry of India eased the import policy and commissioned the import of second-hand ventilators until September 2020, as coronavirus infections skyrocketed. In addition to this, higher import duties on advanced equipment are projected to impact the market growth over the forecast duration significantly.

#### ***Lack of Proper Training***

The absence of proper education and training is closely tied to the negative consequences of technology, such as staff errors, stress, and limited autonomy. ICU nurses must gain information and clinical skills through a lifelong learning approach to retain competency because undergraduate education cannot address training for continually changing equipment. Continuous education and training programs are required to keep pace with technological advancements and provide accurate information about capabilities, potential applications, and user requirements for the safe and effective use of new, more complicated devices, particularly their advantages over previous models.

### **MARKET DRIVERS AND OPPORTUNITIES ANALYSIS:**

#### ***Growing prevalence of Chronic Diseases***

Chronic diseases, such as cardiovascular diseases, cancer, neurological diseases, and respiratory diseases, are globally prevalent. For instance, according to the Centres for Disease Control and prevention, approximately 133 Americans have at least one chronic disease. They require ongoing monitoring or treatment, leading to long-term hospitalization and intensive care. Hence, the growing prevalence of chronic diseases has simultaneously led to an increasing number of patient admissions in the critical care unit, which is projected to drive the market growth.

For instance, according to a research article published in the National Centre for Biotechnology Information (NCBI), in 2019, in the U.S., intensive care unit readmission and re-hospitalization risk among COPD patients was 44% within five years of discharge.

Additionally, the burden of respiratory disease is rising globally, owing to various factors, such as obesity, smoking, and lifestyle changes. At severe stage of respiratory diseases, acute respiratory failure often requires intensive care unit admission.

According to a research article published by the National Centre of Biotechnology Information (NCBI), In Germany, around 2.1 million patients are admitted to intensive care unit each year, out of which an estimated 42.0% of patients require mechanical ventilation.

Worldwide annual mortality due to chronic disease is expected to increase in real numbers as well as relative to deaths from injuries and diseases traditionally understood to be infectious such as polio, rubella, tuberculosis, etc.

#### ***Improvement in Hospital Infrastructures***

The growing trend of digitalization of healthcare, the integration of advanced AI/ML algorithms, cloud deployment of healthcare systems, rising expenditure, inefficient facility management, and overburdened systems are creating a surge in demand for healthcare infrastructure. Care facilities would be able to integrate and streamline their workflows, drive their operational and functional outcomes, enhance data management and security, and deliver optimum care. It is anticipated to boost the adoption and demand for cloud infrastructure systems and bolster the market growth.

The pandemic positively impacted the demand for advanced cloud infrastructure and solutions due to the rise in the implementation of these systems across several organizations. The Covid-19 pandemic has upended how businesses function and has overburdened back-end support services and increased traffic on networks.

The pandemic led to remote working and relying on virtual digital events, which significantly increased the demand for cloud infrastructure implementation. Clinical providers are rapidly adjusting to adopt these advanced solutions. Furthermore, the implementation of these systems and solutions allows organizations to drastically cut down on their IT spending and focus on seamlessly remote working.

#### ***Growing Demand for Intensive Care***

Intensive care represents the highest patient care and treatment level designated for critically ill patients with potentially recoverable life-threatening conditions. This intensive care for patients is given in the intensive care unit a separate self-contained area within a medical facility equipped with high-tech specialized facilities.

The growing geriatric population with the rising prevalence of chronic diseases and emerging health threats, such as coronavirus, are contributing to the global market growth. For instance, in March 2020, Philips announced to ramp up the production of critical healthcare products to help diagnose and treat patients with the new coronavirus disease. It doubled the production of hospital ventilators and achieved a four-fold increase by the third quarter of 2020.

#### *Technological advancement in the Treatment Facilities*

In the past few decades, a particularly rapid period of technological advancement has been witnessed in the area of critical care. The incorporation of artificial intelligence (AI) in the ventilators is one of the most current market trends across the globe. For instance, in August 2020, when ventilators have become critical for treating severe coronavirus cases, an India-Dutch start-up LEVEN Medical, developed smart ventilators that are integrated with AI and machine learning (ML).

Moreover, the beds are witnessing innovative developments, such as wireless beds that provide higher service and function levels, such as caregiver and patient assistance, real-time monitoring, automated functions and positions, and data logging. For instance, in October 2020, Stryker announced the global launch of the industry's first and only completely wireless hospital bed, ProCuity. This intelligent bed was designed to help reduce in-hospital patient falls at all acuity levels, improve nurse workflow efficiencies and safety, and help lower hospital costs. It is the only bed in the market today that can connect seamlessly to nurse call systems without cables or wires.

Thus, such increasing advancements in the ICU equipment are anticipated to drive market growth over the forecast period.

## **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. You should read “Forward Looking Statements” on page 19 for a discussion of the risks and uncertainties related to such statements and also the sections “Risk Factors”, “Restated Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 27, 152 and 207, 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. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision and should consult their own advisors and evaluate such information in the context of the Restated Financial Statements and other information relating to our business and operations included in this Draft Red Herring Prospectus.*

*Unless otherwise indicated or unless the context requires otherwise, the financial information included herein is based on our Restated Financial Statements included in this Draft Red Herring Prospectus. For further information, see “Restated Financial Statements” on page 152. Unless the context otherwise requires, in this section, references to “we”, “us”, or “our” refers to Aprameya Engineering Limited.*

*Unless otherwise indicated, industry and market data used in this section has been derived from the report ICU Set-Up And Maintenance Market Report prepared and issued by Reports & Data which has been exclusively commissioned and paid for by our Company for an agreed fee for the purposes of confirming our understanding of the industry in connection with the Issue.*

### **Overview**

Our Company is engaged in the business of installation, set up & maintenance of Intensive Care Units (“ICU”), Neonatal Intensive Care Units (“NICU”), Pediatric Intensive Care Units (“PICU”), Operation Theatre and prefabricated structure ward (hereinafter referred to as “Healthcare Infrastructure projects”) in the hospitals and medical care centres on turnkey basis along with supply of high value healthcare equipment and diagnostic equipment to private hospitals, Government hospitals and medical practitioners. Over the years, on the basis of our knowledge and understanding of the requirements of medical practitioners, industry standards and utility of the medical equipment, we have evolved ourselves and developed our capabilities in offering end to end solutions in the field of healthcare services relating to ICU setup, operation theatre setup and providing medical equipment for easing operation related to patient treatment, monitoring and diagnosis by hospitals, medical practitioners and diagnostic service providers.

We started the business as a partnership firm on September 05, 2003 and have grown our business with the objective of delivering healthcare solutions focused on cost effectiveness and improved accessibility. We are engaged in selling of high value medical equipment as a dealer of medical equipment manufacturers and suppliers such as Johnson & Johnson Private Limited, Draeger India Private Limited, Philips India Limited, Siemens Healthcare Private Limited, Alan Electronic Systems Private Limited, Stryker India Private Limited, Akas Medical Equipment, Jai Bhawani Enterprises, SD Biosensor and many other medical equipment manufacturers. With the knowledge, experience and expertise of over one & half decade in delivering the medical devices for patient care at reasonable outlay, we have during the year 2020 expanded our business activity by providing turnkey healthcare infrastructure solution by setting-up of ICU, NICU, PICU, operation theater projects and prefabricated structure ward on turnkey basis. Our medical and healthcare infrastructure solution include designing & installation of modular & prefabricated operation theatre & ICU, operating rooms & intensive care pendants, LED operating lights & OT tables, high care hospital beds, setting up of medical gas pipeline solutions, high value equipment like ventilators, multipara patient monitoring system, critical care equipment, diagnostic equipment, CSSD equipment and setting up of mini laboratories within the ICUs.

Our portfolio of products and services can be classified into two different segments i.e. setting up of healthcare infrastructure within the hospitals and medical care centres and dealing in high value medical equipment. We provide need based medical equipment to hospitals, medical practitioners, and diagnostic service providers, including patient monitoring systems, cardiology devices, respiratory management systems and radiology/ imaging systems. Some of the major critical care products as supplied by us include Harmonic ultrasonic surgical instruments, patient monitoring systems, ventilator, ventilator (NIV), ABG machine, integrated electro-surgical units and anesthesia delivery systems etc. We have over the years worked on maintaining healthy relationship with our customers through timely delivery of the medical equipment at reasonable cost. These relationships has enabled us to create a wide customer base of doctors, medical practitioners, private and government hospitals, medical colleges including AIIMS (All India Institute Medical Science) and diagnostic service providers across the country.

We started the business of setting up of ICUs and operation theatres in 2020, and have since then completed the installation of around 1181 critical care beds including ICUs, NICUs, PICUs and modular operation theatre across the state of Rajasthan amounting to over ₹ 12,000 Lakhs. These healthcare infrastructure projects have been undertaken for different government hospital namely Dr. S N Medical College - Jodhpur, Government Medical College - Kota, RMSCL - Jaipur, RNT Medical College - Udaipur and SMS Medical College – Jaipur. We are currently working on 11 projects for different government and private hospitals namely Government Medical College & Hospital Dungarpur (Rajasthan), RNT Medical College & Controller (Associated Group of Hospitals, Udaipur, (Raj.)), SMS Medical College, Jaipur, Government Medical College & Controller A.G. of Hospital, Kota, Government Medical College, Pali, Barmer, Jhalawar and DR. S N Medical College, Jodhpur, MGH Hospital.

We are led by our experienced Promoters Saurabh Kishorbhai Bhatt & Chetan Mohan Joshi, who are supported by our team of experienced senior management, engineers and other personnel. Our Promoters, Saurabh Kishorbhai Bhatt & Chetan Mohan Joshi, have an experience of over 18 years in the field of dealing in high-value medical equipment. We have gained from the sound knowledge and experience of our Promoters pertaining to marketing, understanding of technical specification & utility of high value medical equipment along with the industry standards applicable to the medical industry. Under the leadership and guidance of our Promoters, we have evolved from a small organization into a successful company engaged in providing healthcare infrastructure solutions to the needs of the healthcare sector by delivering medical equipment.

We have demonstrated sound financial performance, growth in our revenue from operations, restated profit before tax and restated profit for the year and improved margins. Our revenue from operations have grown over 16 times between Fiscals 2020 and 2022 backed with the demand from the ICU and Operation theatre turnkey business. We continued our growth journey in Fiscal 2022, and we were able to increase our revenue from operations and EBITDA by 671.24% and 986.33%, between Fiscal 2021 and Fiscal 2022, respectively. Our overall growth and financial performance are driven by our promoters and management team that has extensive experience in the healthcare equipment and engineering industry.

#### Financial Snapshot

(Amount in ₹ Lakhs)

| Particulars             | for the year ended |                |                |
|-------------------------|--------------------|----------------|----------------|
|                         | March 31, 2022     | March 31, 2021 | March 31, 2020 |
| Revenue from operations | 19,999.46          | 2,593.16       | 1,223.24       |
| EBITDA                  | 2,475.42           | 227.87         | 144.58         |
| EBITDA Margin           | 12.38%             | 8.79%          | 11.82%         |
| Profit for the year     | 1,661.29           | 86.00          | 65.42          |
| Profit Margin           | 8.31%              | 3.32%          | 5.35%          |

#### Our Location

|                          |  |
|--------------------------|--|
| <b>Registered Office</b> | 908,Venus Atlantis Corporate Park, Anand Nagar road, Prahladnagar, Ahmedabad, Gujarat-380015   |
| <b>Branch Office</b>     | GF-23,Ground floor , Jaipur Electronic market, Near Riddhi Siddhi , Jaipur , Rajasthan-302018  |
| <b>Warehouse</b>         | Unit No. 712, Seventh Floor, Venus Atlantis Corporate Park, Anand Nagar road, Prahladnagar, Ahmedabad, Gujarat-380015                          |
|                          | Unit No. 215, Second Floor, Gala Empire, Survey No. 49/3, Final Plot No. 113, T.P. Scheme No. 2, Memnagar, Ahmedabad                           |
|                          | Unit No. 216, Second Floor, Gala Empire, Survey No. 49/3, Final Plot No. 113, T.P. Scheme No. 2, Memnagar, Ahmedabad                           |
|                          | Unit No. 4, 1st Floor, Shreyas Complex, Survey No. 2116, Final Plot No. 113, T.P Scheme No. 3, Nr. Dinesh Hall, Ashram Road, Ahmedabad – 38009 |

#### Our Business Model

##### 1) Healthcare infrastructure projects on turnkey basis

Under the healthcare infrastructure projects, we offer solutions like installation of ICU, NICU, PICU, operation theatres and prefabricated structure ward on turnkey basis which includes designing & installation of modular & prefabricated operation theatre, wards & ICU, installation of intensive care pendants, LED operating lights, OT tables, high care hospital beds, setting up of medical gas pipeline and high value equipment like ventilators, multipara patient monitoring system, critical care equipment, diagnostic equipment, CSSD equipment and mini laboratories etc. within the ICUs.

Over the years, we have gained the experience and expertise in understanding the specification and requirements in the healthcare industry which provide us an added advantage. We procure the turnkey key contracts primarily through a competitive bidding process. We undertake the overall work related to designing of the layout, preparation of the site ready for equipment installation, procurement and installation of the healthcare equipment. The execution of the healthcare infrastructure setup has two stages. The first stage includes work related to civil modification and preparation of the interior/prefabricated structure required for the installation of high value equipment and the second stage includes the installation of high value equipment as per the requisite specification and the industry standards at the project site. On receipt of the work order for tender we place early orders for the healthcare equipment to be delivered in time when the project site is ready for installation of these equipment. The work relating to the civil modification and preparation of the project site are primarily undertaken through outsourcing and casual labour which are completed under the supervision of our site advisors. We ensure that the installation work is done following all the industry standards and requirement of the customers/ medical practitioners.

We also provide comprehensive service & maintenance for the turnkey work undertaken along with the healthcare equipment installed by our Company under the turnkey setup. As per the terms of the work order, we are generally required to provide an after sales service and support activities for a definite period of time ranging from 3-5 years i.e. the warranty period. We generally secure similar warranties from the equipment manufacturer for the equipment and the equipment parts involved. After the completion of the warranty period, the customer has an option to enter into further comprehensive service and maintenance for the healthcare equipment for which separate fees are agreed upon between the customer and our Company in the initial work order. Our service and maintenance business includes repairs, supply of consumables, overhauling and maintenance of the equipment.

We have established a dedicated service team to support after sales services and maintenance. The team comprises of engineers, further they are also trained by manufacturers and equipment suppliers related to support activities. The service team is equipped to perform installation, maintenance and warranty service for all the equipment delivered by the Company. The Company is privileged to leverage its services in various categories of Government tenders from the department of Directorate of Medical & Health services/Health and Family Welfare.



**MDM  
NICU  
Hospital  
Jodhpur**



**MDM  
NICU  
Hospital  
Jodhpur**



**State  
Cancer Unit  
(OT),  
Jaipur**



## Business Process



1. **Project Identification** – We procure our work orders primarily through a competitive bidding process. We remain in constant contact with the medical practitioners and hospitals to understand their medical needs. Clients typically advertise for potential projects on their websites or in national newspapers. Accordingly, our team based on the information received identifies projects that could be potentially viable for us. After such projects are identified, the team seeks approval of the management of the Company in order to determine if the identified projects are to be pursued.
2. **Pre-Qualification Stage** – Post identification of the tender, we evaluate our Company’s credentials in light of the stipulated eligibility criteria. Notices inviting bids generally includes criteria for pre-qualification or short listing required for being eligible for bidding process. Pre-qualification applications generally require us to submit details about our organizational set-up, financial parameters, employee information, executed and ongoing projects and details in respect of litigations and arbitrations in which we are involved. If we assess or ascertain that we possess the requisite pre-qualification we proceed with the further process of bidding.
3. **Bid Submission** - After we pre-qualify for a tender, we are required to submit a financial bid. In order to submit a financial bid, our Company conducts an in-depth study of the proposed project, which inter alia includes, (i) study of the technical requirements of the project; (ii) site conditions; and (iii) price of the healthcare equipment required and the vendors from whom we need to purchase the equipment. Many times our customers may specify the vendor from whom the equipment need to be purchased. On conclusion of the project study, the Company draws up a final list of the project requirements and thereafter, proceeds to obtain a confirmation from the equipment manufacturers on the availability & authorization from the equipment manufacture. Post compiling all the details we proceed with bid submission.
4. **Award of the contract** –Once the bids are submitted to the customers, the customer typically evaluates the technical bid or pre-qualification application initially and then opens the financial bids only for those bidders who meet the stipulated criteria. The main criteria for award of the work order is the lowest financial bid.
5. **Site allocation & Site visit** - Once the work order is awarded, a site visit is conducted by our area supervisor along with the architect and structural engineer to ascertain the condition of the site. During the site visit our team review the site, its condition and also obtains the site measurements. The site visit helps us in ascertaining the civil modification required at the site and becomes the base for our designing and layout.
6. **Project designing & layout approval**–On the basis of the data received during site visit, we start with work of designing, as per the requirements of the clients and the healthcare industry standards. We prepare a detailed project plans, structural/architectural designs for the conceptual requirements of the client and get it approved from them. Once the plan is approved, we also place orders for the high value healthcare equipment at this stage to ensure the delivery is received at correct time i.e. post completion of civil modification and interior work. The details of the equipment to be installed and the vendor from whom the equipment needs to be procured are determined at award stage only.
7. **Procurement & Installation** –In this step we are provided with the access to the site where the installation work need to be conducted. Initially, we start with the civil modification required at the site as per the plan approved by the authorities. The installation and civil modification work is undertaken through casual workers under the supervision

of our site engineers to ensure that the work complies with the approved layout and healthcare industry standards. Once the modifications are done, we commence work related to interior like flooring, lighting, Heating/AC/Ventilation system, gas pipeline setup etc. Once the installation is completed, the site is reviewed by the inspection team of the customer inter-alia in order to provide their approval for proceeding with installation of the healthcare equipment. On receipt of client approval, we proceed with the installation of the healthcare equipment already ordered and directly delivered to the site location.

8. **Testing & Site handover** – On completion of the installation work pertaining to healthcare equipment, we handover the site to the client. The client conducts a thorough testing of the working conditions of the equipment and other work done by us. After receipt of the approval from the clients we issue the handover certificate to clients. Once the site is handed over to the client, the warranty and maintenance period starts which is governed by the terms of the work order.
9. **Comprehensive service & maintenance** – As a condition of our work orders we are required to provide after sales service and maintenance for the work undertaken by our company. We provide the service and maintenance activities for a definite period of time ranging from 3-5 years i.e. the warranty period. Post the completion of the warranty period, we further undertake the service and maintenance activities for which separate fees are agreed between the customer and our Company in the initial work order.

2) *Dealing in high value medical equipment*

We have over the years, developed a wide customer base of medical practitioners, hospitals and medical colleges and continue to serve them. We are in regular interaction with them to understand the need and requirements of the medical practitioners for medical treatment, patient care and high value medical equipment. We provide a wide range of medical equipment and solutions including Electrosurgical Generator, Electrosurgical Unit, CO2 Insufflator, LED Surgery Light, Surgical & Medical Examination Light, ICU Respiratory Monitoring System, ICU Ventilation System, Anesthesia Workstation, Jaundice Meter, Anesthesia Machine, Harmonic Scalpel etc. We have entered into distributorship agreements with medical equipment suppliers such as Johnson & Johnson Private Limited, Philips India Limited, Alan Electronic Systems Private Limited and Stryker India Private Limited. Apart from these companies we also have established cordial relationship with medical device manufacturers like Draeger Medical India Private Limited, Siemens Healthcare Private Limited, Schiller Healthcare India Private Limited Akas Medical Equipment, Jai Bhawani Enterprises, SD Biosensor, Epsilon, Resmed and many other medical devices manufacturers and suppliers for easy and timely procurement.

We are engaged in selling of high value medical equipment to Doctors, Private hospitals, public hospital including Medical collages as distributor /dealer /authorized agent of their manufacturers and/or suppliers. Below are some of the medical equipment we deal in:

| <b>Product</b>                   | <b>Description</b>  |
|----------------------------------|---|
| Electro Surgical instruments     | Electro Surgical Unit with inbuilt Vessel Sealing System which can cut, coagulate & seal during open and laparoscopy/endoscopy surgeries the system have 400W output generator for Monopolar cut, 120Watt for Monopolar coagulation, bipolar cut 120 Watt and Bipolar coagulation 80 Watt and vessel sealing system for open and laparoscopic surgery.  |
| CO2 insufflator                  | CO2 inflation used in all type of Laparoscopy surgeries. The system have high flow rate and electronic, automatically controlled gas insufflations during periods of gas loss, with constant monitoring of intra-abdominal pressures.   |
| Ventilator                       | We deal in different kinds of ventilator being it Ventilator (NIV), Ventilator and Transport ventilator. <ul style="list-style-type: none"> <li>• Ventilator - Advanced technology ventilator for use in ICU, suitable for ventilating all categories of patients from Infant to adults.</li> <li>• Ventilator (NIV) - Trilogy 300 EVO consist Active ventilation and passive ventilation</li> <li>• Transport Ventilator - It is time-cycled volume constant transport ventilator operating on mains, battery or ambulance/car battery with battery backup for minimum 8 hours.</li> </ul> |
| Harmonic Scalpel and Accessories | The Generator provides radiofrequency power to drive EnSeal electrosurgical instruments that are used during open or laparoscopic general and gynecological surgery to cut and seal vessels and to cut, grasp, and dissect tissues. In addition, the generator provides power to drive harmonic ultrasonic surgical instruments that are indicated for soft tissue incisions when bleeding control and minimal thermal injury are desired   |

|                        |  |
|------------------------|--|
| Anesthesia Workstation | Anesthesia workstation with an integrated ventilator for adult to infants and integrated airway monitor for airway pressures and volume. Suitable for low and minimal flow anesthesia application with compliance compensation of breathing circuit, fresh gas flow compensation/ decoupling   |
| ABG machine            | ABG measure critical care parameters this includes pH, blood gases, electrolytes, glucose, lactate, plus fully integrated co-oximetry, including neonatal Bilirubin (nBili) and Total Hemoglobin (tHb).<br>It perform pH testing of pleural fluid sample and have ability to run dialysate samples. It is cartridge based analyzer and the measurement cartridge.  |
| Multipara Monitor      | Monitor have facility to display ECG, RR, HR, PR, Spo2, NIBP, and single Temperature as standard parameters.   |
| ECG Machine            | Fully automatic, microprocessor controlled mains & battery operated, built-in 8 inch color LCD built-in Ethernet port for data transfer printout on internal thermal printer. ECG Unit, including: Resting ECG software with 12 simultaneous leads preview of 12 lead ECG prior to printout ECG measurement software , incl. average complexes, measurement markers and detailed measurement results table |
| Volumetric Pump        | Infusion Pump serves both volumetric and drop counting functions. It has been tailored to combine high levels of safety & functionality with very simple and reliable operation.<br>The product is used for general, critical care, neonatal and Cancer therapy infusions where precision is significant.  |
| Syringe Pump           | The pump will be able to use and automatically sense different syringe sizes. The programming infusion rate within the range of 0.1ml/hr. to 1500 ml/hr. and the infusion rate can be adjusted in increments of 0.1 ml/hr. and patient tubing holder build within the pump through which patient tubing can be threaded.   |

The following table sets forth the revenue contributed by healthcare infrastructure projects & dealing in high value medical equipment in our total revenue from operations for Fiscals 2020, 2021 and 2022:

*(Amount in ₹ Lakhs)*

| Business Segment                        | March 31, 2022   | % of Revenue | March 31, 2021  | % of Revenue | March 31, 2020  | % of Revenue |
|---|------------------|--------------|-----------------|--------------|-----------------|--------------|
| Healthcare infrastructure projects      | 11,505.29        | 57.53%       | 1,164.94        | 44.92%       | -               | -            |
| Dealing in high value medical equipment | 8,383.50         | 41.92%       | 1,168.83        | 45.07%       | 986.35          | 80.63%       |
| Other operating revenue                 | 110.67           | 0.55%        | 259.40          | 10.00%       | 236.89          | 19.37%       |
| <b>Revenue from Operation</b>           | <b>19,999.46</b> |              | <b>2,593.17</b> |              | <b>1,223.24</b> |              |

## Our Strengths

The following are our key strengths which enable us to compete in our principal markets.

### 1. Rapid growth in the business with focus on setting up of healthcare infrastructure.

We have over 18 years of experience in the field of providing solutions through dealing in medical and healthcare equipment. We have entered into distributor and service agreement with medical devices suppliers such as Johnson & Johnson Private Limited, Philips India Limited, Alan Electronic Systems Pvt. Ltd and Stryker India Private Limited. Apart from these companies we also have established sound business relationship with medical device manufacturers like Draeger Medical India Private Limited, Siemens Healthcare Private Limited, Schiller Healthcare India Private Limited Akas Medical Equipment, Jai Bhawani Enterprises, SD Biosensor, Epsilon, Resmed and many other medical devices manufacturers and suppliers. Initially, we started our business with dealing in high value medical equipment, later with the insight of our promoters and the experience from the medical industry, we enhance our capabilities and started work related to installation and setting up of ICU, PICU, NICU, Operation theater and prefabricated structure ward on turnkey basis which involve varying degrees of complexity. Since 2020, we have executed installation of around 1181 critical care beds including Intensive Care Units (“ICU”), Neonatal Intensive Care Units (“NICU”), Pediatric Intensive Care Units (“PICU”) and operation theatre. During the same period our revenue from operation have risen from ₹ 1223.24 Lakhs in fiscal 2020 to ₹ 19999.46 Lakhs in Fiscal 2022. Further, the revenue from the setup of Healthcare infrastructure projects have grown from ₹ 1164.94 lakhs in Fiscal 2021 to ₹ 11505.29 lakhs in Fiscal 2022. Our focused approach will enable us to benefit

from future market opportunities to expand into new markets, combined with our technical experience and pricing, which are critical in competing in the industry.

As on July 31, 2022, our Order Book primarily comprised of 11 projects amounting ₹ 6711.97 lakhs for various hospitals in the states of Rajasthan. Our quality work and timely execution capabilities have led to growth in our Order Book over a short span of time. Our experience in execution of these projects, technical capabilities, timely performance, reputation, financial strength and price competitiveness have enabled us to successfully bid for and win projects.

## ***2. Track record of execution capabilities of setting up ICUs, NICUs, PICUs as well as Operation Theatre.***

We started with the business of setting up of ICU beds and operation theatre during 2020. Over a span of two years, our Company has completed execution of projects having contract value of over ₹ 12,000 Lakhs including installation of 1181 critical care beds including ICUs, NICUs, PICUs and Modular operation theatre across the state of Rajasthan. Our experience, execution capabilities and pre-qualifications have helped us in increasing our market size and in increasing our Order Book. These execution skills and medical equipment procurement capabilities help us to achieve timely completion of our projects. We carry out pre-bid surveys and study of the healthcare equipment required in order to fine tune our estimations and tender cost. Our assessment of the project requirements and understanding of the medical equipment enable us to make successful bids for our projects at competitive rates owing to a careful process of project selection and bid strategy.

Our experience of dealing in high value medical equipment and setup of healthcare infrastructure projects along with our firm arrangements with different suppliers of high value medical equipment and experienced team of engineers to provide after sales service & maintenance, provides us with a key competitive advantage in our business over our competitors to meet the necessary pre-qualification requirements and ability to identify and mitigate operational risks. Our Company is also focused on ensuring that each project is executed in conformity with the work description provided in the contracts and adheres to the quality and standard as laid down by the customers and requisite industry standards.

## ***3. Firm arrangement with many medical equipment suppliers and manufacturers***

One of the critical factors to grow and develop in our business is the ability to source high value healthcare equipment. Our Company has entered into distributorship arrangements with medical equipment suppliers such as Johnson & Johnson Private Limited, Philips India Limited, Alan Electronic Systems Pvt. Ltd and Stryker India Private Limited. Apart from these companies we also have established cordial relationship with many other medical device manufacturers like Draeger Medical India Private Limited, Siemens Healthcare Private Limited, Schiller Healthcare India Private Limited Akas Medical Equipment, Jai Bhawani Enterprises, SD Biosensor, Epsilon, Resmed etc. Based on these relationship which we have developed with our suppliers for supply of high value medical equipment, the company can address the requirement of customers properly with cost efficiency while adhering proper quality as well as technical parameters of equipment.

For our healthcare infrastructure business also, we need medical equipment within the specified timeframe and budget cost to meet the proposed project timeline and costing. We have over the years developed cordial relationships with our equipment suppliers which enable us to obtain medical equipment at reasonable rates within the prescribed timelines, which are beneficial to us. Further, we continually strive to maintain cordial relationships with our suppliers in order to derive better insight into the markets for healthcare equipment, which helps us to manage our requirements, resulting in greater predictability of supply and, consequently, a greater ability to meet project schedules and achieve on-time handover of projects to our customers.

## ***4. Wide customer base including many Private and Government Hospital /Medical college***

We focus on maintaining long term cordial business relationship with most of our customers. Our customers majorly include various private hospitals, government hospitals, medical practitioners, medical colleges including AIIMS and diagnostic centres across the country. Further, based on the successful turnkey projects undertaken by our Company, we have established relationship with our customers which includes various government hospitals and medical colleges in Rajasthan like Dr. S N Medical College - Jodhpur, Government Medical College - Kota, RMSCL - Jaipur, RNT Medical College - Udaipur and SMS Medical College – Jaipur. Further, we are currently working on healthcare infrastructure projects for Government Medical College & Hospital Dungarpur (Rajasthan), RNT Medical College & Controller (Associated Group of Hospitals, Udaipur, (Raj.), SMS Medical College, Jaipur, Government Medical College & Controller A.G. of Hospital, Kota, Government Medical College, Pali, Barmer, Jhalawar and DR. S N Medical College, Jodhpur, MGH Hospital. We value our relationships with our customers, which has enable us to deepen our relationship with our customers and effort to become their preferred suppliers. Our motivated team of personnel and our work processes

complement each other to enable us to deliver high levels of client satisfaction by delivering quality work and timely execution of projects.

Our Order Book position is a result of our sustained focus on projects and ability to successfully bid and win new projects.

#### **5. *Experienced Promoters with technical team having domain knowledge***

We have seen robust business growth under the vision, leadership and guidance of our Promoters, who have around 18 years of experience in the medical and healthcare equipment industry. Our Promoters commenced business through a partnership firm M/s. Aprameya Engineering by providing healthcare solution through high value medical equipment and undertaking healthcare infrastructure and the same was later converted into our Company in the year 2021. Our Promoters have played a key role in the development of our business and we benefit from their industry knowledge and expertise, vision and leadership. Our Promoters have the desired operational knowledge, good relationships with our clients and a successful track record of executing medical and healthcare infrastructure projects in a short span of time.

In addition to our Promoters, our senior management team includes qualified, experienced and skilled personnel who have experience across various sectors. The stability of our management team and the industry experience brought on by our promoters will enable us to continue to take advantage of future market opportunities and expand into newer markets. Our senior management team is able to leverage our market position with their collective experience and knowledge in the medical and healthcare infrastructure industry, to execute our business strategies and drive our future growth. For further details relating to our Managerial Personnel, see chapter titled “Our Management” on page 129.

#### **6. *Asset light scalable business model***

Our business model being service oriented, is an asset-light business and does not require not much investment in fixed assets to increase business operations. However, our business requires incremental working capital for execution of incremental orders on hand. We have a track record of delivering consistent growth along with high capital efficiency with low debt funding. We are not required to maintain any heavy dedicated infrastructure or machinery. Our revenues have grown apace, and between Fiscal 2020 and Fiscal 2022, our total income grew from ₹ 1232.51 lakhs to ₹ 20026.19 lakhs. Also, during the same period our profit before tax has grown from ₹ 71.42 lakhs in Fiscal 2020 to ₹ 2411.32 lakhs in Fiscal 2022. Our EBITDA, increased from ₹ 144.58 lakhs in Fiscal 2020 to ₹ 2475.42 lakhs in Fiscal 2022. Our return on capital employed during the aforementioned financial periods was 23.92% and 89.10%, respectively. Our employee related expenses and other expenses for the Fiscal 2022, Fiscal 2021 and Fiscal 2020, was ₹ 2106.12 lakhs, ₹ 464.64 lakhs, and ₹ 350.28 lakhs, constituting 11.96%, 18.98%, and 30.17%, respectively, of our total expenses.

#### **Our Business Strategies:**

The key elements of our business strategy are as follows:

##### **1. *Capitalize on the opportunities and government initiatives to strengthen the medical facilities in the country***

The Government’s plans to increase budgetary allocation for public health spending to 2.5% of the country’s GDP by 2025, will benefit the hospital sector as well. Specialty hospitals and tertiary care institutions in particular are in high demand. The amount of beds that are currently available and those that are needed are far apart. India has fewer hospital beds per 1,000 people than the rest of the world, which means that over the next 15 years, an additional 2.2 million beds will be required. (*Source: ICU Set-Up And Maintenance Market Report*). Expected growth in demand of hospital infrastructure as well as increase in the Government’s budgetary allocation towards the development and expansion of the healthcare infrastructure would be beneficial to enhance our revenue from operations. To strengthen our market position in India, we intend to continue to selectively bid for government tenders to leverage on our capabilities of procuring more work related to installation and maintenance of critical beds, Operation Theater and other healthcare infrastructure facilities. This could assist in making us a preferred service provider for these government hospital and medical colleges.

The frequent outbreaks of pandemic diseases such as Influenza, Ebola, and the recent Covid-19, has put enormous pressure on healthcare authorities and health services to draft and discuss preparedness plans that include the increase in number of ICU beds, to accommodate critically ill patients. During pandemics, most patients require ICU admission and this drives the market for ICU beds (*Source: ICU Set-Up And Maintenance Market Report*). We are therefore well-positioned to capitalize on industry opportunities to further grow our business and increase our market share in the healthcare industry.

##### **2. *Expanding our geographical footprint***

Our Company started its operations in Gujarat and has gradually expanded to the other parts of the country. We are currently dealing in medical equipment which are supplied to different private and government hospitals, medical colleges, AIIMS, diagnostic and medical service providers in different part of the country. We plan to continue our strategy of diversifying and expanding our presence in different states for the growth of our business. We currently expect that a significant portion of our geographic expansion will be in the states of Gujarat and Rajasthan. Through geographically expanding our operations, we hope to narrow down the risks specific to areas or projects and protect us from business concentration in limited geographical areas.

The Indian healthcare industry reached \$190 billion in 2020, and according to the India Brand Equity Foundation (IBEF), it is expected to reach \$370 billion by 2024-2025, due to increased demand for specialized and higher quality healthcare facilities. The products and services driving this growth include hospitals, medical devices, clinical trials, telemedicine, medical tourism, health insurance, and medical equipment. (*Source: ICU Set-Up And Maintenance Market Report*). Increase in demand for medical and healthcare equipment/infrastructure in India in the recent period is expected to result in vast opportunities for the healthcare infrastructure business. In addition, favorable government policies and additional expenditure on medical infrastructure may act as a catalyst for boosting the further growth of this industry. We intend to strengthen our presence all over the country and play a bigger role as the Government is focusing to substantially increase the scope of medical facilities. In pursuing our strategies, we seek to identify markets which we can access and can provide cost and operational advantages to our clients and distinguish ourselves from other competitors.

### ***3. Continue to enhance our core strengths and execution capability***

We have within a span of 2 years successfully set up around 1181 critical care beds including ICU, NICU, PICU and operation theatre. We have made arrangements with various suppliers and medical devices manufacturer for the supply of high value medical equipment. Further, we have to undertake different tasks which are ancillary to the installation of ICU, NICU, PICU and operation theatre like civil modification, prefabricated structure and interior work at the project site along with installation of intensive care pendants, LED operating lights, OT tables, high care hospital beds, setting up of medical gas pipeline, high value equipment like Ventilators, multipara patient monitoring system, critical care equipment, diagnostic equipment, CSSD equipment and setting up of mini laboratories etc. We continuously review and intend to strengthen our execution capabilities and enhancing our delivery capabilities to maximize client satisfaction. Going forward, we intend to identify and participate in new opportunities in the medical infrastructure space and execute those projects which could strengthen our market position.

### ***4. Intend to expand in-house capabilities in service & maintenance.***

We intend to further develop comprehensive in-house capabilities in service & maintenance activities for the medical equipment and healthcare infrastructure installed by our company. Most of our tenders related to installation of the ICUs, operation theatre and healthcare infrastructure have conditions related to warranty for a specific period of time post hand-over and an annual maintenance post the completion of the warranty period. These in-house experience in maintenance activities would prove to be advantageous while bidding for and executing projects related to installation of ICU, NICU, PICU and operation theatre and will also reduce our dependence for the same on the medical equipment suppliers and manufacturers or other parties, thereby avoiding risks and minimizing costs.

We have developed an in-house team of 13 engineers having wide experience in the medical equipment to focus on maintenance activities for medical equipment and healthcare infrastructure installed by our company, and we intend to undertake maintenance activities under work order contracts.

### ***5. Strengthen and establish relationships with hospitals and Medical colleges***

We intend to continue to strengthen and establish relationships with hospitals and medical colleges for our medical equipment market. The work we receive from the government sector is through tender bidding process, most tender process involves a pre-bidding qualification stage where past experience, timely handover of projects and quality of service delivered play a very important qualifying criteria. By timely completion of the projects, we can establish and maintain good relations with these entities, which could add to our experience during the pre-qualification stage of the tender bidding. Further, we have over the years, established sound relationships with many private hospitals in the states of Gujarat and Rajasthan by providing them with the suitable and appropriate solution available in the medical equipment industry. Based on our established relationship, we are well-positioned to partner with hospitals and medical colleges, together with our capabilities of timely execution, industry experience and arrangements with the medical equipment suppliers.

## Order Book

Our Order Book as on a particular date consists of contract value of our ongoing projects, i.e., the total contract value of ongoing projects less the value of work billed until such date.

Our Order Book is ₹ 6711.97 lakhs as on July 31, 2022. The following table sets forth the break-up of our Order Book as per the Client:

(Amount in ₹ Lakhs)

| Sr. No. | Client Name   | Description of the Project  | Total bed count | Location  | Contract value less amount billed |
|---------|---|---|-----------------|-----------|-----------------------------------|
| 1.      | Government Medical College & Hospital Dungarpur (Rajasthan)                           | Supply and installation of 20 bedded NICU (turnkey basis)   | 20              | Dungarpur | 108.00                            |
| 2.      | RNT Medical College & Controller (Associated Group of Hospitals, Udaipur, and (Raj.)) | Supply, installation and commissioning of establishment of prefabricated structure ward on turnkey basis for the use in Medical College, Udaipur (100 beds on the roofs of MCDW building, Swine flu, building, Trauma cottage, and another 100 beds on the roof of old OPD block) | 200             | Udaipur   | 1047.63                           |
| 3.      | SMS Medical College, Jaipur   | Supply, installation and commissioning of establishment of 200 bedded prefabricated structure ward on turnkey basis.  | 200             | Jaipur    | 970.00                            |
| 4.      | Government Medical College & Controller A.G. of Hospital, Kota                        | Supply of 44 bedded NICU & 38 bedded PICU   | 82              | Kota      | 486.93                            |
| 5.      | Government Medical College, Pali  | Supply, installation and commissioning of establishment of 45 bedded prefabricated structure ward on turnkey basis.   | 45              | Pali      | 228.80                            |
| 6.      | Government Medical College, Barmer  | Supply, installation and commissioning of establishment of 90 bedded prefabricated structure ward on turnkey basis.   | 90              | Barmer    | 457.50                            |
| 7       | Government Medical College, Jhalawar  | Supply, installation and commissioning of establishment of 150 bedded prefabricated structure ward on turnkey basis.  | 150             | Jhalawar  | 735.00                            |
| 8       | Government Medical College, Dungarpur   | Supply, installation and commissioning of establishment of 80 bedded prefabricated structure ward on turnkey basis.   | 80              | Dungarpur | 384.75                            |
| 9       | DR. S N Medical College, Jodhpur, MGH Hospital  | Supply, installation of turnkey project of ortho spine unit at M.G. Hospital Jodhpur.   | 1               | Jodhpur   | 321.00                            |
| 10.     | Deepali Designs & Exhibit   | Supply of equipment for prefabricated structure, Kota   | 300             | Kota      | 309.11                            |
| 11.     | DR. S N Medical College, Jodhpur, MDM Hospital  | Supply and installation of 120 bedded multistory ICU (turnkey basis)  | 120             | Jodhpur   | 1663.25                           |
|         |   | <b>Total</b>  | <b>1288</b>     |           | <b>6711.97</b>                    |

### Completed Projects:

Over a span of two years, our Company has completed execution of projects having contract value of over ₹ 12000 Lakhs including installation of 1181 critical care beds including ICUs, NICUs, PICUs and operation theatre across the state of Rajasthan.

Some of the major projects completed by us having an individual value of more than ₹ 400.00 lakhs are set out below:

(Amount in ₹ Lakhs)

| Sr. No. | Client Name                      | Description of the Project  | Contract Value | Completion date |
|---------|----------------------------------|---|----------------|-----------------|
| 1       | Dr. S N Medical College, Jodhpur | 30 bedded NICU on turnkey basis at Umaid Hospital Jodhpur.                                | 401.01         | 18.12.2021      |
| 2       | SMS Medical College, Jaipur      | 80 bedded NICU (turnkey basis)  | 428.00         | 11.01.2022      |
| 3       | Dr. S N Medical College, Jodhpur | 30 bedded ICU on turnkey basis at Mathura Das Mathur, Hospital Jaipur                     | 541.00         | 08.12.2021      |
| 4       | Dr. S N Medical College, Jodhpur | 30 bedded ICU on turnkey basis at Mahatma Gandhi Hospital, Jodhpur                        | 585.00         | 21.09.2021      |
| 5       | SMS Medical College, Jaipur      | 50 bedded NICU (turnkey basis)  | 638.00         | 25.03.2022      |
| 6       | RNT Medical College, Udaipur     | 50 bedded ICU on turnkey basis, MBGH, Udaipur.  | 651.79         | 16.08.2021      |
| 7       | Dr. S N Medical College, Jodhpur | 60 bedded NICU on turnkey basis at Mathura Das Mathur Hospital, Jodhpur                   | 820.51         | 06.10.2021      |
| 8       | Dr. S N Medical College, Jodhpur | 115 bedded PICU at Mathura Das Mathur, Hospital, Jodhpur                                  | 874.11         | 08.03.2022      |
| 9       | SMS, Medical College, Jaipur     | 3 modular operation theatre and 1 non-modular operation theatre at State Cancer Institute | 889.49         | 06.01.2021      |
| 10      | RMSCL, Jaipur                    | Establishment of ICUs on turnkey basis at 45 locations                                    | 2619.59        | -               |

### Capacity and Capacity Utilization

Our Company is engaged in the business of setting up of healthcare & medical infrastructure along with dealing of high value medical equipment. Our business activities are dependent on our ability to procure new tenders/sales order, equipment sourcing ability, execution capabilities, experience and skills hence capacity and its utilization is not applicable for our Company.

### Collaborations/ Consortiums

We enter into tender specific collaboration and/or consortium agreement with third parties for undertaking the works specified in the tender. The consortium remain in force till the completion of the specified tender.

### Important terms of our Work Contracts

Under a work contract awarded to us, we are responsible for the procurement and civil modification as per the requirements of installation, in strict compliance with the terms and conditions of the contract. Following are some basic terms of contract in general. However the same varies from contract to contract:

#### *Performance Security*

Under our work contracts, we are required to make a security deposit payment equal in amount to 2.5%-3% of the contract price as a security deposit for satisfactory performance of the equipment supplied for a period of 3 years, which shall remain valid during the execution period as well as the warranty period after the completion of installation.

#### *Warranty*

During the installation period as well as the warranty period after the completion of installation, we are usually required to cure defects at our own risk and costs and may be required to provide separate performance security upon the request of the respective authority. We are usually responsible for curing the defects during the defect notification period, which is usually for a period of 12 to 60 months after completion of work

#### *Comprehensive Annual Service Maintenance Contract (CMC)*

Comprehensive Annual Service Maintenance generally gets applicable after the expiry of warranty period. We are required to separately enter into a maintenance contract which may range from a period of 1 to 5 years after the expiry of warranty period (may vary from contract to contract). The rates of the maintenance activities are determined by the respective authority in the tender or at the time of entering into the CMC. In case of any default on our part the customers are entitled to deduct the amount of damages from the payments due to us

#### *Liquidated Damages*

We are usually required to pay liquidated damages for delays in completion or delivery of the project milestones which are often specified as a fixed percentage of the contract price. Our clients are entitled to deduct the amount of damages from the payments due to us. Further, as per the work order the customers also have the liberty to terminate the contract in case delay in execution is beyond any specific time period.

### **Utilities & Infrastructure Facilities**

#### *Procurement*

We majorly procure high value medical equipment and devices which form major part of our purchases. The medical equipment are procured from different manufacturers and suppliers based on the requirements of the customers.

We have also entered into distributorship agreements with some of our suppliers Alan Electronic System Pvt Limited, Philips India Ltd, M/s Johnson & Johnson Limited & Stryker India Private Limited for major materials like Electro Surgical instruments, energy workstation, CO2 insufflator & hospital requisites, Ventilator (NIV), Harmonic Scalpel and Accessories, Staplers (Internal and External) and Cutters and High Definition Endoscopy Systems which are commercially viable for us while also ensuring timely availability of equipment due to long term relationships with our suppliers. Apart from these companies we have also established cordial relationship with many different manufacturers and suppliers of medical equipment for procurement of the medical equipment required by us.

#### *Power and Water*

Our registered and branch office source power from their respective state grids to meet their power requirements. The water for the office is procured from the relevant local authority. Additionally, the power and water requirements at the installation sites are ensured by the respective customers.

#### *Equipment & Information Technology*

As we do not undertake any manufacturing activity or major civil construction activity thus we do not require any major plant or equipment. We are focusing on improving our internal control systems and processes and upgrade our IT systems to reduce manual intervention and improve reliability and efficiency of our business and operations. We also intend to utilize advanced technologies, designs, engineering and project management tools to increase productivity and maximize utilization of our resources.

### **Quality Management**

Our Company has complied with the quality standards in accordance with ISO 9001:2015 as certified by TÜV SÜD South Asia Private Limited. We endeavor to ensure that we maintain strict quality standards required at all stages of our project.

### **Sales and Marketing Strategy**

Our Company's client profile includes many of the major government, private sector hospitals, medical colleges and medical practitioners in the state of Gujarat and Rajasthan. Generally, the work allocated to our Company is based on the nature of past work done and adherence to the timelines. Therefore, marketing strategy of our Company is substantially dependent on the past credentials and track record, which include timely completion of work, quality of services and

presentation of documents. Also, our track record of successful completion of contracts gives us an edge in technical/qualification bids. In case of tenders, we are required to participate through online system in response to enquiries placed on specific web sites of our clients.

We also have an in-house sales team that comprised 17 personnel as of June 30, 2022. The primary objective of our sales team is to work closely with our customers or prospective customers to identify and understand their specific requirements, and to maintain relationships with our customers. Further, our sales team is also involved in collecting market information, such as, technological advancements and existing competition, in order to assess the viability of the products we deal in and the new innovations in the market.

### Competition

The medical devices industry is a highly competitive industry. Our competition varies across various markets, geographical areas and type of product. We face competition from both domestic and international players. We compete primarily on the basis of product quality, technology, cost, delivery and service, as well as quality and depth of senior level relationships.

We primarily face competition from manufacturers who supply products to hospitals and multinational companies on an OEM basis. Further, we also face competition from other distributors/dealers or partners engaged by the manufacturers for sale of their products.

### Human Resources

Our employees are key contributors to the success of our business. As on June 30, 2022, we had 48 permanent employees, who look after our day to day business operations, marketing and accounting functions. We also deploy casual labour as per requirement on project site requirement basis. Our manpower is a prudent mix of the experienced, skilled and semi-skilled which gives us the dual advantage of stability and growth.

Our employees are not part of any labour/employee union. Further, there has been no instance of work stoppage or labor dispute that adversely affected our operations. A brief breakup of our employees is below –

| Category                | No. of employees |
|-------------------------|------------------|
| Administrative staff    | 13               |
| Project & Tender staff  | 5                |
| Sales & Marketing Staff | 17               |
| Service Staff           | 13               |
| <b>Total</b>            | <b>48</b>        |



### Insurance

Our operations are subject to various risks inherent in our operations, such as work accidents, fire, theft, earthquake, flood, acts of terrorism and other force majeure events. We maintain a standard fire and special perils insurance policies for certain movable and immovable assets and for stock as well as a burglary insurance policies for certain movable assets and for stock. In addition, we also maintain personal accident and private car bundled insurance policies for the damage to the property.

### Intellectual Property

Our Company has made the below applications for the registration of our name and logo with the Trade Marks Registry under Class 35 & 37 which are pending for approval as on the date of this Draft Red Herring Prospectus.

| Sr. No | Class    | Brand Name/Logo Trademark                         | Nature of Trademark | Owner   | Application Number and Date              | Status               |
|--------|----------|---|---------------------|---|--|----------------------|
| 1.     | Class 35 | APRAMEYA ENGINEERING LIMITED ENGINEERS FOR HEALTH | Trademark (Device)  | Aprameya Engineering Limited (Body Corporate) | Application No. 5500034<br>June 22, 2022 | Formalities Chk Pass |

|    |          |  |                       |   |   |                         |
|----|----------|--|-----------------------|---|---|-------------------------|
|    |          |   |                       |   |   |                         |
| 2. | Class 37 | <p>APRAMEYA<br/>ENGINEERING<br/>LIMITED ENGINEERS<br/>FOR HEALTH</p>  | Trademark<br>(Device) | Aprameya<br>Engineering<br>Limited<br>(Body<br>Corporate) | Application<br>No. 5500035<br><br>June 22, 2022 | Formalities<br>Chk Pass |

### Property

The details of the key properties used by our Company for our operations are set forth below:

| S No | Address of the Property  | Current use                            | Description of the property  |
|------|--|--|--|
| 1.   | 908, Venus Atlantis Corporate Park, Anand Nagar road, Prahladnagar, Ahmedabad, Gujarat- 380015                       | Registered Office                      | This property has been taken on leave & license basis by the Company under a leave & license agreement dated April 01, 2022, from Chetan Mohan Joshi and Saurabh Kishorbhai Bhatt. The period is 11 months and lease amount is sum of ₹ 1,25,000/- per month, renewable as mutually decided by the parties.          |
| 2.   | 3rd Floor, S-2, B-14, Tonk Road, Jai Ambe Nagar, near Gopalpura bypass, Jaipur, Rajasthan-302018                     | Employee /Guest House                  | This property has been taken on rental basis by the Company under a rent agreement dated July 04, 2022 from Saurabh Kishorbhai Bhatt and Chetan Mohan Joshi. The period is 11 months and rent amount is sum of ₹ 35,000/- per month, renewable as mutually decided by the parties.                                   |
| 3.   | GF-23, Ground floor, Jaipur Electronic market, Near riddhi siddhi, Jaipur, Rajasthan-302018                          | Branch Office                          | This property has been taken on rental basis by the Company under rent agreement dated May 28, 2022 from Deepak Jindal. The period is 11 months and lease amount is sum of ₹ 25289/-per month, renewable as mutually decided by the parties.   |
| 4.   | GIDC Plot E-63 Sanand, At & Post Ta- Sanand, Dist.- Ahmedabad-382110   | Future Use                             | This property has been taken on license basis by the Company under a license agreement dated May 12, 2021 from Gujarat Industrial Development Corporation. The period is 99 years beginning from the date of execution of the Agreement.   |
| 5.   | Office No -5 At Shreyas Complex, B/h Income Tax Office, Near Rushika Complex, Navragpura, Ahmedabad-380009.          | Investment purpose/ future use (owned) | These property has been given to Raj Barcode Systems Private Limited on leave & license basis by the Company under a leave and license agreement dated April 01, 2022. The period is 11 months and lease amount is sum of ₹ 29,850/-per month excluding tax, renewable as mutually decided by the parties.           |
| 6.   | Office No -6 At Shreyas Complex B/h Income Tax Office, Near Rushika Complex, Navragpura, Ahmedabad-380009            |  |  |
| 7.   | Unit No. 215, Second Floor, Gala Empire, Survey No. 49/3, Final Plot No. 113, T.P. Scheme No. 2, Memnagar, Ahmedabad | Warehouse                              | This property has been taken on leave & license basis by the Company under a leave and license agreement dated April 01, 2022 from Pooja Saurabh Bhatt and Saurabh Kishorbhai Bhatt. The period for lease is 11months and lease amount is sum of ₹ 40,000/- per month, renewable as mutually decided by the parties. |
| 8.   | Unit No. 216, Second Floor, Gala Empire, Survey No. 49/3, Final Plot No. 113, T.P.                                   | Warehouse                              | This property has been taken on leave & license basis by the Company under a leave Leave and License agreement dated April 01, 2022 from Archana Chetan Joshi and Chetan Mohan Joshi. The period is 11months and lease amount is   |

|     |  |           |  |
|-----|--|-----------|--|
|     | Scheme No. 2, Memnagar, Ahmedabad  |           | sum of ₹ 40,000/- per month, renewable as mutually decided by the parties.   |
| 9.  | Unit No. 712, Seventh Floor, Venus Atlantis Corporate Park, Anand Nagar road, Prahladnagar, Ahmedabad, Gujarat-380015                          | Warehouse | This property has been taken on leave & license basis by the Company under Leave and License agreement dated April 01, 2022 from Chetan Mohan Joshi and Saurabh Kishorbhai Bhatt. The period is 11 months and lease amount is sum of ₹ 1,25,000/- per month, renewable as mutually decided by the parties. |
| 10. | Unit No. 4, 1st Floor, Shreyas Complex, Survey No. 2116, Final Plot No. 113, T.P Scheme No. 3, Nr. Dinesh Hall, Ashram Road, Ahmedabad – 38009 | Warehouse | This property has been taken on leave & license basis by the Company under Leave and License agreement dated April 01, 2022 from Aprameya Engineering (India) Private Limited. The period is 11 months and lease amount is sum of ₹ 25,000 per month, renewable as mutually decided by the parties.        |

## **KEY REGULATIONS AND POLICIES IN INDIA**

*In carrying on our business as described in the section titled “Our Business” beginning on page 103 of this Draft Red Herring Prospectus, our Company is regulated by the following legislations in India. The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this chapter has been obtained from the various legislations, including rules and regulations promulgated by the regulatory bodies and the bye laws of the respective local authorities that are available in the public domain. The regulations and policies set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. For details of Government Approvals obtained by the Company in compliance with these regulations, kindly refer to the chapter titled “Government and other statutory Approvals” beginning on page 243 of this Draft Red Herring Prospectus.*

Our Company is engaged in the business of installation, set up & maintenance of ICU, NICU, PICU and Operation Theatre on turnkey basis along with supply of high value healthcare equipment, homecare equipment and diagnostic equipment to private as well as Government hospitals and medical practitioners. We are required to obtain and regularly renew certain licenses/ registrations and / or permissions required statutorily under the provisions of various Central and State Government regulations, rules, bye-laws, acts and policies.

Given below is a brief description of the certain relevant legislations that are currently applicable to the business carried on by us:

### **A. INDUSTRY RELATED LEGISLATION**

#### **The Drugs and Cosmetics Act, 1940**

The Drugs and Cosmetics Act, 1940 (“DCA”) regulates the import, manufacture, distribution and sale of drugs and cosmetics in India as well as aspects relating to labelling, packing and testing. The DCA also provides the procedure for testing and licensing of new drugs. The DCA also prohibits the import of certain categories of drugs and cosmetics. It further mandates that every person holding a license must keep and maintain such records, registers and other documents as may be prescribed which may be subject to inspection by the relevant authorities. Under the DCA, the Government may, by notification in the official gazette, regulate or prohibit the manufacture, sale or distribution of a drug, if it is satisfied that in the public interest, it is necessary or expedient to do so or that the use of such drug is likely to involve any risk to human beings or animals or that it does not have the therapeutic value claimed or purported to be claimed for it or contains ingredients and in such quantity for which there is no therapeutic justification. Penalties in terms of fine and imprisonment are prescribed under the DCA for contravention of its provisions.

The DCA prohibits inter-alia the manufacture and sale of:

- (i) drugs and cosmetics which are not of standard quality or are misbranded, adulterated or spurious
- (ii) any patent or proprietary medicine, unless the true formula or list of active ingredients is displayed in the prescribed manner on the label, together with the quantities thereof
- (iii) any drug which by means of any statement, design or device accompanying it or by any other means, purports or claims to prevent, cure or mitigate any such disease or ailment, or to have any such other effect as may be prescribed
- (iv) any cosmetic containing any ingredient which may render it unsafe or harmful for use under the directions indicated or recommended.

It further prohibits inter-alia the exhibition, offer for sale, distribution or sale of any drug or cosmetic which has been imported or manufactured in contravention of any of the provisions of DCA or any rule made there under.

#### **The Drugs and Cosmetics Rules, 1945**

The Drugs and Cosmetics Rules, 1945 (“the Rules”) are applicable to the Company. The Rules have been enacted to regulate the, manufacture, distribution and sale of drugs and cosmetics in India. The Rules prescribe the drugs or classes of drugs or cosmetics or classes of cosmetics for the import of which a license is required, and prescribe the form and conditions of such license and specify the prescribed the procedure for submission of report to the Central Drugs Laboratory, of samples of drugs for analysis or test. Such licenses can be cancelled or suspended in case any of the Rules are not adhered to or any of the conditions subject to which the license is issued is not complied with.

### **Gujarat Fire Prevention and Life Safety Measures Act, 2013 and the Gujarat Fire Prevention and Life Safety Measures Rules, 2014**

Gujarat Fire Prevention and Life Safety Measures Act, 2013 is an act to make effective provisions for the fire prevention, safety and protection of life and property in various types of buildings and temporary structures which are likely to cause a risk of fire in different areas in the State of Gujarat. The Gujarat Fire Prevention and Life Safety Measures Act, 2013 was enacted to make provisions for fire service fees, constitution of a special fund and for the purposes connected or incidental therewith. The Gujarat Fire Prevention and Life Safety Measures Rules, 2014 is issued under Section 57 of the Gujarat Fire Prevention and Life Safety Measures Act, 2013.

### **The Micro, Small and Medium Enterprises Development Act, 2006**

The Micro, Small and Medium Enterprises Development Act, 2006 (“MSMED Act”) inter-alia seeks to provide for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. The MSMED Act inter-alia empowers the Central Government to classify by notification, any class of enterprises including inter alia, a company, a partnership, firm or undertaking by whatever name called, engaged in providing or rendering of services, as: (i) a micro enterprise, where the investment in equipment does not exceed ₹ 10,00,000/- (Rupees Ten Lakhs Only); (ii) a small enterprise, where the investment in equipment is more than ₹ 10,00,000/- (Rupees Ten Lakhs Only) but does not exceed ₹ 2,00,00,000/- (Rupees Two Crores Only); or (iii) a medium enterprise, where the investment in equipment is more than ₹ 2,00,00,000/- (Rupees Two Crores Only) but does not exceed ₹ 5,00,00,000/- (Rupees Five Crores Only). The MSMED Act also inter-alia stipulates that any person who intends to establish, a micro or small enterprise or a medium enterprise engaged in rendering of services, may at his discretion and a medium enterprise engaged in the manufacture or production of goods as specified hereinabove, file a memorandum of micro, small or medium enterprise, as the case may be, with the prescribed authority.

## **B. EMPLOYEE RELATED LEGISLATIONS:**

Our Company is governed by various legislations for the safety and protection of the labour and employees either working for or engaged by the Company. Our Company is required to ensure compliance of various labour and employment laws to conduct its business and projects. These include, but are not limited to the following:

- The Employees’ Provident Funds and Miscellaneous Provisions Act, 1952;
- The Employees’ State Insurance Act, 1948;
- The Maternity Benefit Act, 1961;
- The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
- The Equal Remuneration Act, 1976
- The Employee’s Compensation Act, 1923;
- The Minimum Wages Act, 1948;
- The Payment of Wages Act, 1936;
- The Payment of Gratuity Act, 1972; and
- The Payment of Bonus Act, 1965.

The Code on Wages, 2019 (enacted by the parliament of India and assented to by the President of India on August 8, 2019) will come into force on such date as may be notified in the official gazette by the Central Government and different date may be appointed for different provisions of the Code on Wages, 2019. Once effective, it will subsume the Equal Remuneration Act, 1976, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Payment of Wages Act, 1936.

The Code on Social Security, 2020 (enacted by the Parliament of India and assented to by the President of India on September 28, 2020) will come into force on such date as may be notified in the official gazette by the Central Government and different date may be appointed for different provisions of the Code on Social Security, 2020. Once effective, it will subsume, inter alia, the Employees’ Compensation Act, 1923, the Employees’ State Insurance Act, 1948, the Employee’s Provident Fund and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961 and the Payment of Gratuity Act, 1972.

### **The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“SHWW Act”) provides for the protection of women at work place and prevention of sexual harassment at work place. The SHWW

Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behavior namely, physical contact and advances or a demand or request for sexual favors or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e. a written complaint is to be made within a period of 3 (three) months from the date of the last incident. If the establishment has less than 10 (ten) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee. The penalty for non-compliance with any provision of the SHWW Act shall be punishable with a fine extending to ₹50,000/-

### **Shops and Commercial Establishments Legislation:**

The Company is governed by various shops and establishments legislations, as applicable in the States where its branch offices are located. The Company has its registered office at Ahmedabad, Gujarat and branch offices/warehouses at various locations in Gujarat and Rajasthan. These regulations regulate the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of inter alia registration, opening and closing hours, daily and weekly working hours, holidays, leave, health, and safety measures, and wages for overtime work. These establishments of the Company will be governed by the acts, rules, and regulations of the respective states.

## **C. TAX RELATED LAWS:**

### **1. Income-tax Act, 1961**

Income-tax Act, 1961 (“**Income-tax Act**”) is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of this Act or Rules made there under depending upon its ‘Residential Status’ and ‘Type of Income’ involved. Every assessee, under the Income-tax Act, which includes a company, is required to comply with the provisions thereof, including those relating to tax deduction at source, advance tax, minimum alternative tax and like.

### **2. Central Goods and Services Tax Act, 2017**

The Central Goods and Services Tax Act, 2017 (“**CGST Act**”) regulates the levy and collection of tax on the intra-State supply of goods and services by the Central Government or State Governments. The CGST Act amalgamates a large number of Central and State taxes into a single tax. The CGST Act mandates every supplier providing the goods or services to be registered within the State or Union Territory it falls under, within 30 days from the day on which he becomes liable for such registration. Such registrations can be amended, as well as cancelled by the proper office on receipt of application by the registered person or his legal heirs. There would be four tax rates namely 5%, 12%, 18% and 28%. The rates of GST applied are subject to variations based on the goods or services.

### **3. Integrated Goods and Services Tax Act, 2017**

Integrated Goods and Services Tax Act, 2017 (“**IGST Act**”) is a Central Act enacted to levy tax on the supply of any goods and/ or services in the course of inter-State trade or commerce. IGST is levied and collected by Centre on interstate supplies. The IGST Act sets out the rules for determination of the place of supply of goods. Where the supply involves movement of goods, the place of supply shall be the location of goods at the time at which the movement of goods terminates for delivery to the recipient. The IGST Act also provides for determination of place of supply of service where both supplier and recipient are located in India or where supplier or recipient is located outside India. The provisions relating to assessment, audit, valuation, time of supply, invoice, accounts, records, adjudication, appeal etc. given under the CGST Act are applicable to IGST Act.

Further, the Company is also governed by various State Goods and Service Tax statutes for levy and collection of tax on intra-State supply of goods and services or both which are as follows:

- i. Gujarat Goods and Services Act, 2017;
- ii. Rajasthan Goods and Services Act, 2017;

### **4. Professional Tax**

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional taxes are classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under these Acts (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority. The Gujarat State Tax on Professions, Trades, Callings and Employments Act, 1976 is applicable to the Company.

#### **D. INTELLECTUAL PROPERTY LAWS**

##### **1. The Trademarks Act, 1999**

Under the Trademarks Act, 1999 ("**Trademarks Act**"), a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A 'mark' may consist of a device, brand, heading, label, ticket, name signature, word, letter, numeral, shape of goods, packaging or combination of colors or any combination thereof. Section 18 of the Trademarks Act requires that any person claiming to be the proprietor of a trade mark used or proposed to be used by him, must apply for registration in writing to the registrar of trademarks. The trademark, once applied for and which is accepted by the Registrar of Trademarks ("**the Registrar**"), is to be advertised in the trademarks journal by the Registrar. Oppositions, if any, are invited and, after satisfactory adjudications of the same, a certificate of registration is issued by the Registrar. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is 10 (ten) years, which may be renewed for similar periods on payment of a prescribed renewal fee.

##### **2. The Copyright Act, 1957**

The Copyright Act, 1957 ("**Copyright Act**") grants protection to the authors of literary, artistic, dramatic, musical, photographic, cinematographic or sound recording works from unauthorized uses. Various rights including ownership and economic rights are conferred on the author. These include the right to reproduce the work in any form, issue copies to the public, perform it, and offer for sale and hire. The penalty for general infringement of copyright is imprisonment of maximum 3 (three) years and a fine of up to ₹0.2 million.

#### **E. OTHER APPLICABLE LAWS:**

##### **1. The Companies Act, 2013**

The Companies Act, 2013 ("**Companies Act**") deals with laws relating to companies and certain other associations. The Companies Act primarily regulates the formation, financing, functioning, and winding up of companies. The Companies Act prescribes regulatory mechanism regarding all relevant aspects, including organizational, financial, and managerial aspects of companies. It deals with issue, allotment and transfer of securities and various aspects relating to company management. It provides for standard of disclosure in public issues of capital, particularly in the fields of company management and projects, information about other listed companies under the same management, and management perception of risk factors.

##### **2. The Consumer Protection Act, 1986**

The Consumer Protection Act, 1986 ("**Consumer Protection Act**") was enacted to provide speedy and simple redressal to consumer disputes through quasi-judicial machinery set up at district, state and national level. The provisions of the Consumer Protection Act cover products as well as services.

##### **3. The Transfer of Property Act, 1882**

The Transfer of Property, 1882 (“**T.P. Act**”) including immovable property, between living persons, as opposed to the transfer property by operation of law, is governed by the T.P. Act. The T.P. 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. Transfer of property is subject to stamping and registration under the specific statutes enacted for the purposes which have been dealt with hereinafter.

The T.P. 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 T.P. 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.
- Leave and License: The transfer of a right to do something upon immovable property without creating interest in the property.

Further, it may be noted that with regards to the transfer of any interest in a property, the transferor transfers such interest, including any incidents, in the property which he is capable of passing and under the law, he cannot transfer a better title than he himself possesses.

#### 4. **The Sale of Goods Act, 1930**

The Indian Sale of Goods Act, 1930 provides for the setting up of contracts where the seller transfers or agrees to transfer the title (ownership) in the goods to the buyer for consideration. It is applicable all over India. Under the act, goods sold from owner to buyer must be sold for a certain price and at a given period of time.

#### 5. **The Registration Act, 1908**

The Registration Act, 1908 (“**Registration Act**”) was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed was to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property also. The Registration Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

#### 6. **The Indian Contract Act, 1872**

The Indian Contract Act, 1872 (“**Contract Act**”) lays down the essentials of a valid contract, it provides a framework of rules and regulations that govern the validity, execution and performance of a contract and 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. The Contract Act consists of limiting factors subject to which contract may be entered into, executed and the breach enforced. The contracting parties themselves decide the rights and duties of parties and terms of agreement.

#### 7. **The Specific Relief Act, 1963**

The Specific Relief Act, 1963 (“**Specific Relief Act**”) is complimentary to the provisions of the Contract Act and the Transfer of Property Act, as the Act applies both to movable property and immovable property. The Specific Relief Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. Specific performance’ means Court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to other party.

## **8. Competition Act, 2002**

The Competition Act, 2002 (“**Competition Act**”) aims to prevent anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The Competition Act regulates anti-competitive agreements, abuse of dominant position and combinations. The Competition Commission of India (“**Competition Commission**”) which became operational from May 20, 2009, has been established under the Competition Act to deal with inquiries relating to anti-competitive agreements and abuse of dominant position and regulate combinations. The Competition Act also provides that the Competition Commission has the jurisdiction to inquire into and pass orders in relation to an anti-competitive agreement, abuse of dominant position or a combination, which even though entered into, arising, or taking place outside India or signed between one or more non-Indian parties, but causes an appreciable adverse effect in the relevant market in India.

## **9. Legislations pertaining to Stamp Duty**

Stamp duty in relation to certain specified categories of instruments as specified under Entry 91 of the list, is governed by the provisions of the Indian Stamp Act, 1899 (“**Stamp Act**”) which is enacted by the Central Government. All others instruments are required to be stamped, as per the rates prescribed by the respective State Governments in the respective schedules of the respective legislations pertaining to stamp duty as applicable in the State. Stamp duty is required to be paid on all the documents that are registered and as stated above the percentage of stamp duty payable varies from one State to another. Certain States in India have enacted their own legislation in relation to stamp duty while the other State have adopted and amended the Stamp Act, as per the rates applicable in the State. On such instruments stamp duty is payable at the rates specified in Schedule I of the Stamp Act. Instruments chargeable to duty under the Stamp Act which are not duly stamped are incapable of being admitted in court as evidence of the transaction contained therein. The Stamp Act also provides for impounding of instruments which are not sufficiently stamped or not stamped at all. Unstamped and deficiently stamped instruments can be impounded by the authority and validated by payment of penalty. The amount of penalty payable on such instruments may vary from State to State.

## **F. REGULATIONS REGARDING FOREIGN INVESTMENT**

### **Foreign Exchange Management Act, 1999**

Foreign investment in India is governed by the provisions of Foreign Exchange Management Act, 1999

(“**FEMA**”), as amended, along with the rules, regulations and notifications made by the Reserve Bank of India thereunder, The Department for Promotion of Industry and Internal Trade (“**DPIIT**”), Ministry of Commerce and Industry has issued the Consolidated FDI Policy which consolidates the policy framework on Foreign Direct Investment (“**FDI Policy**”), with effect from October 15, 2020. The FDI Policy consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP till October 15, 2020.

In terms of the FDI Policy, foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which foreign investment is sought to be made. In terms of the FDI Policy, the work of granting government approval for foreign investment under the FDI Policy and FEMA Regulations has now been entrusted to the concerned Administrative Ministries/Departments. FDI for the items or activities that cannot be brought in under the automatic route may be brought in through the approval route. Where FDI is allowed on an automatic basis without the approval of the Government, the RBI would continue to be the primary agency for the purposes of monitoring and regulating foreign investment. In cases where Government approval is obtained, no approval of the RBI is required except with respect to fixing the issuance price, although a declaration in the prescribed form, detailing the foreign investment, must be filed with the RBI once the foreign investment is made in the Indian company.

Our Company is engaged in the activity of installation, set up & maintenance of ICU, NICU, PICU and Operation Theatre on turnkey basis along with wholesale trading. The FDI Policy issued by the DIPP permits foreign investment upto 100% of paid-up equity share capital of a company in the Cash and Carry Wholesale Trading/ Wholesale Trading sector under the automatic route subject to compliance of certain conditions mentioned in the FDI Policy which are listed below:

### **Cash and Carry Wholesale Trading/ Wholesale Trading**

Cash & Carry Wholesale trading/Wholesale trading, would mean sale of goods/merchandise to retailers, industrial, commercial, institutional or other professional business users or to other wholesalers and related subordinated service providers. Wholesale trading would, accordingly, imply sales for the purpose of trade, business and profession, as opposed to sales for the purpose of personal consumption. The yardstick to determine whether the sale is wholesale or not would be the type of customers to whom the sale is made and not the size and volume of sales. Wholesale trading would include resale, processing and thereafter sale, bulk imports with ex-port/ex bonded warehouse business sales and B2B e-Commerce.

Further, Cash & Carry Wholesale Trading/Wholesale Trading (“WT”) is subject to the following conditions:

- a. For undertaking WT, requisite licenses/registration/ permits, as specified under the relevant Acts/Regulations/Rules/Orders of the State Government/Government Body/Government Authority/Local Self-Government Body under that State Government should be obtained.
- b. Except in case of sales to Government, sales made by the wholesaler would be considered as ‘cash & carry wholesale trading/wholesale trading’ with valid business customers, only when WT are made to the following entities:
  - i. Entities holding applicable tax registration; or
  - ii. Entities holding trade licenses i.e. a license/registration certificate/membership certificate/registration under Shops and Establishment Act, issued by a Government Authority/Government Body/Local Self-Government Authority, reflecting that the entity/person holding the license/ registration certificate/ membership certificate, as the case may be, is itself/ himself/herself engaged in a business involving commercial activity; or
  - iii. Entities holding permits/license etc. for undertaking retail trade (like tehbazari and similar license for hawkers) from Government Authorities/Local Self Government Bodies; or
  - iv. Institutions having certificate of incorporation or registration as a society or registration as public trust for their self-consumption.

*An entity, to whom WT is made, may fulfill any one of the 4 conditions at (b) (i) to (iv) above.*

- c. Full records indicating all the details of such sales like name of entity, kind of entity, registration/license/permit etc. number, amount of sale etc. should be maintained on a day to day basis.
- d. WT of goods would be permitted among companies of the same group. However, such WT to group companies taken together should not exceed 25% of the total turnover of the wholesale venture.
- e. WT can be undertaken as per normal business practice, including extending credit facilities subject to applicable regulations.
- f. A wholesale/cash & carry trader can undertake retail trading, subject to the conditions as applicable. An entity undertaking wholesale/cash and carry as well as retail business will be mandated to maintain separate books of accounts for these two arms of the business and duly audited by the statutory auditors.

Conditions of the FDI Policy for wholesale/cash and carry business and for retail business have to be separately complied with by the respective business arms.

## **HISTORY AND CORPORATE STRUCTURE**

### **Brief history of our Company:**

Our Company was originally formed as a partnership firm in the name and style of “M/s. Aprameya Engineering” pursuant to a deed of partnership dated September 05, 2003, registered as on August 13, 2004 vide Registration certificate issued by Registrar of Firms, Ahmedabad City, Ahmedabad having Registered No. GUJ/AMS/36352 under the provisions of the Indian Partnership Act, 1932. Subsequently, our Company was incorporated pursuant to a certificate of incorporation dated December 28, 2021 issued by the Registrar of Companies, Central Registration Centre following the conversion of the partnership firm “M/s. Aprameya Engineering” to a Private Limited Company. Further, pursuant to special resolution passed by the shareholders of the Company at the Extra Ordinary General Meeting, held on April 22, 2022, our Company was converted into a Public Limited Company and consequently the name of our Company was changed from “Aprameya Engineering Private Limited” to “Aprameya Engineering Limited” vide a fresh certificate of incorporation consequent upon conversion dated May 12, 2022, issued by the Registrar of Companies, Ahmedabad, Gujarat bearing CIN: U51909GJ2021PLC128294.

Saurabh Kishorbhai Bhatt & Chetan Mohan Joshi were the initial subscribers to the Memorandum of Association of our Company.

### **Changes in Registered Office of the Company since Incorporation:**

There has not been any change in our Registered Office since incorporation of the Company till the date of the Draft Red Herring Prospectus.

The partnership firm was using H-4/24, Akruti Apartment, Shastrinagar, Naranpura, Ahmedabad – 380063 as its place of business till March 31, 2021, which was changed to 908, 9th Floor, Venus Atlantis Corporate Park, Anandnagar, Prahladnagar, Ahmedabad, Gujarat-380015 India vide supplementary deed dated April 16, 2021.

|                          |   |
|--------------------------|---|
| <b>Registered Office</b> | 908, 9th Floor, Venus Atlantis Corporate Park, Anandnagar, Prahladnagar, Ahmedabad, Gujarat-380015 India. |
|--------------------------|---|

### **Main Objects of Memorandum of Association:**

The main objects of our Company as contained in our Clause III (A) of Memorandum of Association of our Company are as follows:

- To carry out the business of medical, surgical equipments and industrial products on conversion of Partnership firm namely Aprameya Engineering into Aprameya Engineering Private Limited.*
- To carry on business of purchase, sale, import, export, assembling, manufacturing of medical equipment, surgical, consumable, diagnostic equipment and allied medical equipment and devices either on own basis or on the commission basis and to design, develop, renovate and construct all facility of hospital, mainly operation theater, ICU / NICU / PICU / HDU and other critical care facilities including laboratory and general utility area of hospitals and to Carry on business of repairs and maintenance of all medical equipment as well as to supply of all consumables, reagents & other allied accessory thereof pertaining to healthcare.*

### **Amendments to the Memorandum of Association:**

Except as stated below, there has been no change in the Memorandum of Association of our Company since its Incorporation:

| Date of Meeting | Type of Meeting | Amendments  |
|-----------------|-----------------|---|
| April 22, 2022  | EGM             | Conversion of our Company from Private Limited to Public Limited Company. Consequently, Name of the Company has been changed from “Aprameya Engineering Private Limited” to “Aprameya Engineering Limited” vide a Fresh Certificate of Incorporation dated May 12, 2022 was issued by the Registrar of Companies Ahmedabad, Gujarat.              |
| April 22, 2022  | EGM             | Alteration in the Object Clause of the Company by adding a new sub clause 2 in the Main Object Clause III (A) of the Memorandum of Association of the Company.<br><i>2. To carry on business of purchase, sale, import, export, assembling, manufacturing of medical equipment, surgical, consumable, diagnostic equipment and allied medical</i> |

|              |     |   |
|--------------|-----|---|
|              |     | <i>equipment and devices either on own basis or on the commission basis and to design, develop, renovate and construct all facility of hospital, mainly operation theater, ICU / NICU / PICU / HDU and other critical care facilities including laboratory and general utility area of hospitals and to Carry on business of repairs and maintenance of all medical equipment as well as to supply of all consumables, regents &amp; other allied accessory thereof pertaining to healthcare.</i> |
| May 17, 2022 | EGM | Clause V of the Memorandum of Association was amended to reflect increase in the authorized share capital of the company from ₹ 700.00 Lakhs divided into 70,00,000 Equity Shares of ₹ 10/- each to ₹ 2000.00 Lakhs divided into 2,00,00,000 Equity Shares of ₹ 10 each.  |

#### Major events and milestones of our Company:

The table below sets forth some of the major events in the history of our company:

| Year/F.Y. | Key Events / Milestone / Achievements  |
|-----------|--|
| 2003      | Partnership Firm in the name and style of M/s. Aprameya Engineering founded by Chetan Mohan Joshi and Saurabh Kishorbhai Bhatt   |
| 2004      | The firm entered into a distributorship agreement with Johnson & Johnson Private Limited.  |
| 2004      | The firm entered into an agreement with Alan Electronic System Private Limited for completing the Market of ELSY 360 series Diathermy Equipment being manufactured by them.                      |
| 2009      | Entered into agreement with Karl Storz Endoscopy India Private Limited for supplying of medical equipment to the Rajasthan Government.   |
| 2020      | Commencement of business related to setting up of ICU/OT/PICU/NICU.  |
| 2020      | Received the first tender for supply and installation of Operation Theatre on turnkey basis for S.M.S. Medical College, Jaipur.  |
| 2021      | Incorporation of our Company as “Aprameya Engineering Private Limited” pursuant to the Conversion of Partnership firm into the Private Company as per the provisions of the Companies Act, 2013. |
| 2022      | Achieved a total income of 20,000 Lakhs.   |
| 2022      | Started with setting up of Minilabs for ICU/OT/PICU/NICU   |

#### Key awards, accreditations or recognitions

The following are some of the key awards, accreditations and recognitions received by our Company:

| Year | Awards  | Issuing Authority                        |
|------|---|--|
| 2015 | Certificate of Excellence (Silver Category, Year: 2015) in the Stryker Dealer Meet, 2016  | Stryker India Private Limited            |
| 2015 | Winner: Best Performer of the Year 2014-15  | Alan Electronics Systems Private Limited |
| 2017 | Quality Management System ISO 9001:2015   | TÜV SÜD South Asia Private Limited       |
| 2021 | Certificate of Appreciation of Top Annual Sales Performance 2021  | Draeger Medical India Private Limited    |
| 2021 | Received Certificate of Achievement: 2 <sup>nd</sup> Runner up: Best Sales Performance for the year 2020 issued at 09 <sup>th</sup> April, 2021 | Alan Electronics Systems Private Limited |
| 2022 | Certificate of Achievement: 2 <sup>nd</sup> Runner up: Sales Performance for the year 2021-22 Issued at 23 <sup>rd</sup> April, 2022            | Alan Electronics Systems Private Limited |
| 2022 | Certificate and Achievement for outstanding and Exemplary Contribution during the year 2022.  | Stryker India Private Limited            |
| 2022 | Certificate of Achievement – Quota Achiever   | Stryker India Private Limited            |

#### Other details about our Company:

For details of our Company’s Business, products, technology, launch of key products or services, entry in new geographies or exit from existing markets and our customers, please refer section titled **“Our Business” and “Management’s Discussion and Analysis of Financial Conditions and Results of Operations”** on pages 103 and 207 respectively of this Draft Red Herring Prospectus.

Further, our company is into the business of dealing in medical equipment, ICU and OT setup on turnkey basis. Hence, capacity utilization and location of plant are not applicable to our Company.

**Our Holding Company:**

As on the date of the Draft Red Herring Prospectus, our Company is not a subsidiary of any company.

**Our Subsidiaries, Associates, and Joint Ventures**

As on the date of this Draft Red Herring Prospectus, our Company does not have any associate, subsidiaries or joint ventures.

**Shareholders Agreements:**

There are no subsisting shareholder's agreements among our shareholders in relation to our Company, to which our Company is a party or otherwise has notice of the same as on the date of the Draft Red Herring Prospectus.

**Agreement with key managerial personnel or Directors or Promoters or any other employee of the Company:**

There are no agreements entered into by key managerial personnel or Directors or Promoters or any other employee, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

**Other Material Agreement:**

Our Company has not entered into any subsisting material agreements including with strategic partners, joint venture partners and/or financial partners, entered into, other than in the ordinary course of business of the Company.

**i. Non-Compete Agreement:**

Our Company has not entered into any No- compete Agreement as on the date of filing of this Draft Red Herring Prospectus.

**Material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets etc., in the last ten years**

There have been no material acquisitions or divestments of business/undertakings, mergers, amalgamation, and any revaluation of assets in the last ten years from the date of the Draft Red Herring Prospectus.

**Significant Strategic or Financial Partners:**

Our Company does not have any strategic or financial partners as on the date of this Draft Red Herring Prospectus.

**Time and Cost Overruns in Setting up Projects:**

There has been no time / cost overrun in setting up projects by our Company.

**Defaults or Rescheduling of Borrowings with Financial Institutions/Banks:**

There have been no defaults or rescheduling of borrowings with any financial institutions/banks as on the date of the Draft Red Herring Prospectus.

## OUR MANAGEMENT

### Board of Directors:

In terms of the Companies Act and our Articles of Association, our Company is required to have not less than three Directors and not more than 15 Directors. As on the date of this Draft Red Herring Prospectus, our Board comprises of eight Directors including two Executive Directors, two non-executive Directors and four Independent Directors, five of whom are woman director.

The following table sets forth the details regarding the Board of Directors of our Company as on the date of filing of this Draft Red Herring Prospectus:

| Name, Father's Name, Age, Designation, Address, Experience, Occupation, Qualification, Nationality & DIN  | Date & term of Appointment   | No. of Equity Shares held & % of Shareholding (Pre Issue)] | Other Directorships  |
|---|--|--|--|
| <b>Saurabh Kishorbhai Bhatt</b><br><b>Father's Name:</b> Kishorbhai Ichhashanker Bhatt<br><b>Age:</b> 44 years<br><b>Date of Birth:</b> December 17, 1977<br><b>Designation:</b> Chairman and Joint Managing Director<br><b>Address:</b> A-3/502, Green Acres, Near Venus Atlantis, Opp Auda Lake Prahladnagar, Ahmedabad, Gujarat-380015, India<br><b>Experience:</b> 18 years<br><b>Occupation:</b> Business<br><b>Qualification:</b> Bachelor of Engineering (Industrial Electronics)<br><b>Nationality:</b> Indian<br><b>DIN:</b> 03071549          | Originally Appointed as Director w.e.f. December 28, 2021.<br><br>Further, Change in Designation to Chairman and Joint Managing Director w.e.f. August 03, 2022 for a period of 5 years. | 69,00,000<br>Equity Shares<br>[49.29%]                     | 1. Aprameya Engineering (India) Private Limited.<br>2. Mecviz Endoscopy (I) Private Limited<br>3. Manitechne Solutions LLP   |
| <b>Chetan Mohan Joshi</b><br><b>Father's Name:</b> Mohan Champalal Joshi<br><b>Age:</b> 46 years<br><b>Date of Birth:</b> June 21, 1976<br><b>Designation:</b> Managing Director<br><b>Address:</b> A1-202, Green Acres, Opp. Auda Lake, Prahladnagar Road, Satellite Ahmedabad, Gujarat-380015, India.<br><b>Experience:</b> 18 years<br><b>Occupation:</b> Business<br><b>Qualification:</b> Bachelor of Engineering (Industrial Electronics) (Second year), Diploma in Electrical Engineering.<br><b>Nationality:</b> Indian<br><b>DIN:</b> 03056083 | Originally Appointed as Director w.e.f. December 28, 2021<br><br>Further, Change in Designation to Managing Director w.e.f. July 02, 2022 for a period of 5 years                        | 69,00,000<br>Equity Shares<br>[49.29%]                     | 1. Aprameya Engineering (India) Private Limited.<br>2. Mecviz Endoscopy (I) Private Limited.<br>3. Manitechne Solutions LLP. |
| <b>Archana Chetan Joshi</b><br><b>Father's Name:</b> Gajanan Champalal Trivedi<br><b>Age:</b> 37 years<br><b>Date of Birth:</b> December 05, 1984<br><b>Designation:</b> Non-Executive Director<br><b>Address:</b> A-1 202, Green Acres, Opp. Auda Lake, Near Vastrapur Railway Crossing, Vejalpur Ahmedabad Gujarat 380015 India.<br><b>Experience:</b> 10 years<br><b>Occupation:</b> Business<br><b>Qualification:</b> B.Sc. (Second Year)<br><b>Nationality:</b> Indian<br><b>DIN:</b> 03056078   | Originally Appointed as Director w.e.f. April 01, 2022.<br><br>Regularized as Non-Executive Director w.e.f. August 06, 2022.   | 60,000<br>Equity Shares<br>[0.43%]                         | 1. Aprameya Engineering (India) Private Limited<br>2. D&A Instrumentation Labs LLP   |

| Name, Father's Name, Age, Designation, Address, Experience, Occupation, Qualification, Nationality & DIN   | Date & term of Appointment  | No. of Equity Shares held & % of Shareholding (Pre Issue)] | Other Directorships  |
|--|---|--|--|
| <b>Pooja Saurabh Bhatt</b><br><b>Father's Name:</b> Pradipkumar Venishankar Oza<br><b>Age:</b> 39 years<br><b>Date of Birth:</b> December 10, 1982<br><b>Designation:</b> Non-Executive Director<br><b>Address:</b> A-3/502, Green Acres, Near Venus Atlantis, Opp Auda Lake Prahladnagar, Ahmedabad, Gujarat-380015, India.<br><b>Experience:</b> 10 years<br><b>Occupation:</b> Business<br><b>Qualification:</b> M.Sc. in Electronics<br><b>Nationality:</b> Indian<br><b>DIN:</b> 03071550 | Originally Appointed as Director w.e.f. April 01, 2022.<br><br>Regularized as Non-Executive Director w.e.f. August 06, 2022.  | 60,000 Equity Shares [0.43%]                               | 1. Aprameya Engineering (India) Private Limited<br>2. D&A Instrumentation Labs LLP |
| <b>Suresh Kumar Verma</b><br><b>Father's Name:</b> Mahavir Prasad Verma<br><b>Age:</b> 58 years<br><b>Date of Birth:</b> October 22, 1963<br><b>Designation:</b> Independent Director<br><b>Address:</b> D 301, Regency Towers, Behind Management Enclave, Vastrapur, Ahmedabad, Gujarat-380015, India.<br><b>Experience:</b> 27 years<br><b>Occupation:</b> Service<br><b>Qualification:</b> Company Secretary and L.L.B.<br><b>Nationality:</b> Indian<br><b>DIN:</b> 09658156               | Appointed as Additional Non-Executive Independent Director w.e.f July 02, 2022.<br><br>Regularized as Non-Executive Director w.e.f. August 06, 2022.<br><br><i>(Not liable to retire by rotation)</i> | Nil  | Nil  |
| <b>Raina Singh</b><br><b>Father's Name:</b> Ajay Singh<br><b>Age:</b> 31 years<br><b>Date of Birth:</b> June 22, 1991<br><b>Designation:</b> Independent Director<br><b>Address:</b> 4, Kirti Nagar, New Sanganer Road, Jaipur, Shyam Nagar, Jaipur Rajasthan 302019 India.<br><b>Experience:</b> 10 years<br><b>Occupation:</b> Service<br><b>Qualification:</b> Company Secretary and Master of Business Administration<br><b>Nationality:</b> Indian<br><b>DIN:</b> 09637543                | Appointed as Additional Non-Executive Independent Director w.e.f June 15, 2022.<br><br>Regularized as Non-Executive Director w.e.f. August 06, 2022.<br><br><i>(Not liable to retire by rotation)</i> | Nil  | Nil  |
| <b>Heena Hareshbhai Jaichandani</b><br><b>Father's Name:</b> Hareshbhai Rochiram Jaichandani<br><b>Age:</b> 29 years<br><b>Date of Birth:</b> April 03, 1993<br><b>Designation:</b> Independent Director<br><b>Address:</b> B-29, Ghanshyam Nagar Canal Road Ghodasar Ahmedabad Gujarat- 380050 India<br><b>Experience:</b> 7 years<br><b>Occupation:</b> Service<br><b>Qualification:</b> Company Secretary and L.L.B.<br><b>Nationality:</b> Indian<br><b>DIN:</b> 09645431                  | Appointed as Additional Non-Executive Independent Director w.e.f July 02, 2022.<br><br>Regularized as Non-Executive Director w.e.f. August 06, 2022.<br><br><i>(Not liable to retire by rotation)</i> | Nil  | Nil  |

| Name, Father's Name, Age, Designation, Address, Experience, Occupation, Qualification, Nationality & DIN  | Date & term of Appointment   | No. of Equity Shares held & % of Shareholding (Pre Issue)] | Other Directorships                   |
|---|--|--|---------------------------------------|
| <b>Shalini Hitesh Jalan</b><br><b>Father's Name:</b> Murlidhar Poonamchand Agrawal<br><b>Age:</b> 39 years<br><b>Date of Birth:</b> September 30, 1982<br><b>Designation:</b> Independent Director<br><b>Address:</b> 17 Swaraj Nagar Society Bhudarpura Road Ambawadi, Bhudarpura Road, Ahmedabad, Gujarat 380015 India.<br><b>Experience:</b> 1 year<br><b>Occupation:</b> Service<br><b>Qualification:</b> Bachelors of Arts<br><b>Nationality:</b> Indian<br><b>DIN:</b> 09620065 | Appointed as Additional Non-Executive Independent Director w.e.f. June 15, 2022.<br><br>Regularized as Non-Executive Director w.e.f. August 06, 2022.<br><br><i>(Not liable to retire by rotation)</i> | Nil  | 1. Arvee Laboratories (India) Limited |

### **Brief Profile of Directors:**

- Saurabh Kishorbhai Bhatt** is the Chairman and Joint Managing Director of our Company. He is also one of the Promoters of our Company and has been associated with our Company since its incorporation. He holds a Bachelor's degree in electronics (industrial electronics) from Amravati University. He is having experience of over 18 years in the field of medical and healthcare equipment industry, including as one of the partners of the erstwhile partnership firm under the name 'M/s. Aprameya Engineering' (now converted into our Company) and is responsible for the overall management, project handling and tender bidding process of our Company.
- Chetan Mohan Joshi** is the Managing Director of our Company. He is also one of the Promoters of our Company and has been associated with our Company since its incorporation. He has completed a Bachelor's in engineering (Second Year) in industrial electronics from Amravati University and Diploma in Electrical engineering from the Board of Technical Examinations, Maharashtra State. He has a work experience of over 18 years in the field of medical and healthcare equipment industry, including as one of the partners of the erstwhile partnership firm under the name 'M/s. Aprameya Engineering' (now converted into our Company) and is responsible for the overall management, finance and internal controls systems of our Company.
- Archana Chetan Joshi** is the Non-Executive Director of our Company. She has been on the Board since 2022. She has completed her Bachelor's of Science (Second Year) from Lokmanya Tilak Mahavidyalaya, Wani. She has an experience of over 10 years in the business of dealing in medical equipment's.
- Pooja Saurabh Bhatt** is the Non-Executive Director of our Company. She has been on the Board since 2022. She has completed her education Master of Science (Electronics) from Saurashtra University. She has an experience of over 10 years in the business of dealing in medical equipment's.
- Suresh Kumar Verma** is an Independent Director of our Company. He has completed his Bachelor's of Commerce (Honor's.) from St. Xavier's College, University of Kolkata in 1984 and Bachelor in Law in the year 1988. He is also a Member of Institute of Company Secretaries of India. He has an experience of around 27 years in secretarial and legal field.
- Raina Singh** is an Independent Director of our Company. She has completed her Master of Business Administration (MBA) from Sikkim Manipal University in the year 2017 and she is a Member of Institute of Company Secretaries of India. She has an experience of around 10 years in the field of finance, compliance management and audit.
- Heena Hareshbhai Jaichandani** is an Independent Director of our Company. She has completed her Master of Commerce and Bachelor's of Law from the Gujarat University and she is also a Member of Institute of Company Secretaries of India. She has an experience of 7 years in the field of Secretarial compliance.
- Shalini Hitesh Jalan** is an Independent Director of our Company. She has completed her Bachelor's of Arts from M.L.S.U. Udaipur, in the year 2004. She has an experience of over 1 year in the field of accounting.

### **Confirmations:**

As on the date of this Draft Red Herring Prospectus:

- a) None of our Directors is or was a director of any listed company during the last five years preceding the date of this Draft Red Herring Prospectus, whose shares have been or were suspended from being traded on the BSE or NSE, during the term of their directorship in such company.
- b) None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange during the tenure of their directorship in such company.
- c) None of the Directors are categorized as a Willful Defaulter or a Fraudulent Borrower, as defined under Regulation 2(1) (III) of SEBI (ICDR) Regulations.
- d) None of our Directors is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018.
- e) None of our Directors, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

### **Nature of any family relationship between our Directors**

The following Directors of the Company are related to each other within the meaning of Section 2 (77) of the Companies Act, 2013. Details of which are as follows:

| <b>Sr. No.</b> | <b>Name of the Director/KMP</b>                  | <b>Relationship with other Directors/KMPs</b> |
|----------------|--|---|
| 1.             | Chetan Mohan Joshi and Archana Chetan Joshi      | Spouses                                       |
| 2.             | Saurabh Kishorbhai Bhatt and Pooja Saurabh Bhatt | Spouses                                       |

### **Arrangements with major Shareholders, Customers, Suppliers or Others:**

We have not entered into any arrangement or understanding with our major shareholders, customers, suppliers or others, pursuant to which any of our Directors were selected as Directors or members of the senior management.

### **Service Contracts:**

The Directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of their employment.

### **Details of Borrowing Powers of Directors**

Pursuant to a special resolution passed at an Extra-ordinary General Meeting of our Company held on July 04, 2022 and pursuant to provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, the Board of Directors of the Company be and are hereby authorized to borrow monies from time to time, any sum or sums of money on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company may exceed in the aggregate, its paid up capital and free reserves and security premium (apart from temporary loans obtained / to be obtained from bankers in the ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed in the aggregate of ₹ 100,00,00,000 (Rupees One Hundred Crores Only).

### **Compensation of our Managing Director & Whole-Time Director**

The compensation payable to our Managing Director and Whole-time Director will be governed as per the terms of their appointment and shall be subject to the provisions of Sections 2(54), 2(94), 188,196,197,198 and 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act,2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force).

### Terms of Appointment of our Managing Director & Joint Managing Director

| Particulars                       | Chetan Mohan Joshi  | Saurabh Kishorbhai Bhatt  |
|-----------------------------------|---|---|
| Appointment/Change in Designation | Originally Appointed as Director w.e.f. December 28, 2021; designated as “Managing Director” w.e.f. July 02, 2022 | Originally Appointed as Director w.e.f. December 28, 2021; designated as “Chairman and Joint Managing Director” w.e.f. August 03, 2022. |
| Current Designation               | Managing Director   | Chairman and Joint Managing Director  |
| Terms of Appointment              | 5 years   | 5 years   |

### The following compensation has been approved for Managing Director & Joint Managing Director

| Particulars  | Chetan Mohan Joshi                               | Saurabh Kishorbhai Bhatt                         |
|--|--|--|
| Basic Salary   | ₹ 5,25,000 per month                             | ₹ 5,25,000 per month                             |
| House rent allowance   | ₹ 2,62,500 per month                             | ₹ 2,62,500 per month                             |
| Conveyance   | ₹ 2,25,000 per month                             | ₹ 2,25,000 per month                             |
| Other Allowances including Medical, education and supplementary allowances | ₹ 4,87,500 per month                             | ₹ 4,87,500 per month                             |
| Bonus  | ₹ 16,25,000 per annum                            | ₹ 16,25,000 per annum                            |
| Overall Remuneration   | Upto ₹ 200,00,000/- per annum                    |  |
| Compensation paid in the financial year ended March 31, 2022               | ₹ 5,62,50,000<br>(paid as partners remuneration) | ₹ 5,62,50,000<br>(paid as partners remuneration) |

Further, our Non-Executive Director, are entitled to a remuneration of ₹ 1,00,000 per month including the perquisites from our Company.

#### Bonus or Profit Sharing Plan for our Directors:

We have no bonus or profit sharing plan for our Directors.

#### Contingent or deferred compensation payable to our Directors.

There is no contingent or deferred compensation payable to our Directors.

#### Sitting Fees:

The Articles of Association of our Company provides for payment of sitting fees to Directors (other than Managing Director & Whole-time Directors), not exceeding ₹ 1,00,000 to be fixed by Directors from time to time, for attending a meeting of the Board or a Committee thereof. Our Board of Directors have resolved in their meeting dated July 02, 2022 has approved an amount of ₹ 5000 payable to all Independent Directors for attending each such meeting of the Board or Committee thereof.

#### Shareholding of our Directors as on the date of this Draft Red Herring Prospectus:-

| Sr. No. | Name of the Directors    | No. of Shares Held | Holding in %  |
|---------|--------------------------|--------------------|---------------|
| 1.      | Saurabh Kishorbhai Bhatt | 69,00,000          | 49.29%        |
| 2.      | Chetan Mohan Joshi       | 69,00,000          | 49.29%        |
| 3.      | Archana Chetan Joshi     | 60,000             | 0.43%         |
| 4.      | Pooja Saurabh Bhatt      | 60,000             | 0.43%         |
|         | <b>Total</b>             | <b>1,39,20,000</b> | <b>99.43%</b> |

None of the Independent Directors of the Company holds any Equity Shares of Company as on the date of this Draft Red Herring Prospectus.

Our Articles of Association do not require our Directors to hold any qualification Equity Shares in the Company.

#### INTEREST OF DIRECTORS

All the Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses payable to them under the Articles, and to the extent of remuneration paid to them for services rendered as an officer or employee of the Company. Further our Director may also be deemed interested to the extent of rent given by our Company for the property taken on leave and license. For further details, please refer to Chapter titled **“Our Management”** beginning on page 129 of this Draft Red Herring Prospectus.

Our Directors may also be regarded as interested to the extent of their shareholding and dividend payable thereon, if any, and to the extent of Equity Shares, if any held by them in our Company or held by their relatives. Further our Director are also interested to the extent of unsecured loans, if any, given by them to our Company. Further our Directors are also interested to the extent of Personal Guarantee given by Directors towards Financial facilities of our Company. For further details, please refer to **“Financial Indebtedness”** on page 235 of this Draft Red Herring Prospectus.

Further, our Directors may be deemed to be interested to the extent of the position held by them on the board of directors of Group Companies, or any consideration for services, managerial remuneration/ sitting fees received in accordance with the provisions of the applicable law. Also, our Directors may be deemed to be interested in the contracts, agreements/arrangements to be entered into by our Company with any company which is promoted by them or in which they hold directorships or any partnership firm in which they are partners as declared in their respective capacity.

Except as stated otherwise in this Draft Red Herring Prospectus, our Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of the Draft Red Herring Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be entered into with them.

Except as stated in this section **“Our Management”** or the section titled **“Financial information – Note 38 - Related Party Disclosure”** beginning on page 129 and 191 respectively of this Draft Red Herring Prospectus, and except to the extent of shareholding in our Company, our Directors do not have any other interest in our business.

**Interest in the property of Our Company:**

Except as mentioned hereunder our Directors do not have any other interest in any property acquired by our Company in a period of two years before filing of this Draft Red Herring Prospectus or proposed to be acquired by us as on date of this Draft Red Herring Prospectus.

| Sr. No. | Name of Promoter                                 | Address of Property  | Interest and nature of interest  |
|---------|--|--|--|
| 1.      | Chetan Mohan Joshi and Saurabh Kishorbhai Bhatt  | 908, 9th Floor, Venus Atlantis Corporate Park, Anandnagar, Prahladnagar Ahmedabad, Gujarat 380015 India.             | This property has been taken in use by company via leave & license agreement dated April 01, 2022, from Chetan Mohan Joshi and Saurabh Kishorbhai Bhatt. The period of the agreement is 11 months and lease amount is sum of Rs. 1,25,000 per month, renewable as mutually decided by the parties.                                   |
| 2       | Saurabh Kishorbhai Bhatt and Chetan Mohan Joshi  | 3rd Floor, S-2, B-14, Tonk Road, Jai Ambenagar , near Gopalpura bypass,Jaipur, Rajasthan-302018                      | This property has been taken in use by company via leave & license agreement dated April 01, 2022, from Chetan Mohan Joshi and Saurabh Kishorbhai Bhatt. The period of the agreement is 11 months and lease amount is sum of ₹ 35,000 per month, renewable as mutually decided by the parties.                                       |
| 3       | Pooja Saurabh Bhatt and Saurabh Kishorbhai Bhatt | Unit No. 215, Second Floor, Gala Empire, Survey No. 49/3, Final Plot No. 113, T.P. Scheme No. 2, Memnagar, Ahmedabad | This property has been taken in use by company via lease from Pooja Saurabh Bhatt and Saurabh Kishorbhai Bhatt, on lease vide Leave and License agreement dated 01 <sup>st</sup> April 2022. The period of the agreement is 11 months and lease amount is sum of Rs. 40,000 per month, renewable as mutually decided by the parties. |
| 4       | Archana Chetan Joshi and Chetan Mohan Joshi      | Unit No. 216, Second Floor, Gala Empire, Survey No. 49/3, Final Plot No. 113, T.P. Scheme No. 2, Memnagar, Ahmedabad | This property has been taken in use by company via lease from Archana Chetan Joshi and Chetan Mohan Joshi, on lease vide Leave and License agreement dated 01 <sup>st</sup> April 2022. The period of the agreement is 11 months and lease amount is sum of  |

|   |   |   |  |
|---|---|---|--|
|   |   |   | Rs. 40,000 per month, renewable as mutually decided by the parties.  |
| 5 | Chetan Mohan Joshi and Saurabh Kishorbhai Bhatt | Unit No. 712, Seventh Floor, Venus Atlantis Corporate Park, Anand Nagar road, Prahladnagar, Ahmedabad, Gujarat-380015 | This property has been taken in use by company via lease from Chetan Mohan Joshi and Saurabh Kishorbhai Bhatt, on lease vide Leave and License agreement dated 01 <sup>st</sup> April 2022. The period of the agreement is 11 months and lease amount is sum of Rs. 1, 25,000 per month, renewable as mutually decided by the parties. |

### Changes in Board of Directors in Last 3 Years

| Sr. No. | Name of Director             | Date of Appointment / Re - Appointment   | Reasons for Change  |
|---------|------------------------------|--|---|
| 1.      | Saurabh Kishorbhai Bhatt     | Change in designation as Chairman and Joint Managing Director w.e.f. August 03, 2022 for a period of 5 years.  | To ensure better Corporate Governance and compliance with Companies Act, 2013 |
| 2.      | Chetan Mohan Joshi           | Change in designation as Managing Director w.e.f. July 02, 2022 for a period of 5 years.   | To ensure better Corporate Governance and compliance with Companies Act, 2013 |
| 3.      | Saurabh Kishorbhai Bhatt     | Change in designation as Chairman and Executive Director w.e.f. July 02, 2022 for a period of 5 years.   | To ensure better Corporate Governance and compliance with Companies Act, 2013 |
| 4       | Archana Chetan Joshi         | Appointment as Additional Non-Executive Director w.e.f. April 01, 2022. Regularized as Non-Executive Director w.e.f. August 06, 2022.                      | To ensure better Corporate Governance and compliance with Companies Act, 2013 |
| 5       | Pooja Saurabh Bhatt          | Appointment as Additional Non-Executive Director w.e.f. April 01, 2022. Regularized as Non-Executive Director w.e.f. August 06, 2022.                      | To ensure better Corporate Governance and compliance with Companies Act, 2013 |
| 6       | Shalini Hitesh Jalan         | Appointed as Additional Independent Non-Executive Director w.e.f. June 15, 2022. Regularized as Independent Non-Executive Director w.e.f. August 06, 2022. | To ensure better Corporate Governance and compliance with Companies Act, 2013 |
| 7       | Raina Singh                  | Appointed as Additional Independent Non-Executive Director w.e.f. June 15, 2022. Regularized as Independent Non-Executive Director w.e.f. August 06, 2022. | To ensure better Corporate Governance and compliance with Companies Act, 2013 |
| 8       | Heena Hareshbhai Jaichandani | Appointed as Additional Independent Non-Executive Director w.e.f. July 02, 2022. Regularized as Independent Non-Executive Director w.e.f. August 06, 2022. | To ensure better Corporate Governance and compliance with Companies Act, 2013 |
| 9       | Suresh Kumar Verma           | Appointed as Additional Independent Non-Executive Director w.e.f. July 02, 2022. Regularized as Independent Non-Executive Director w.e.f. August 06, 2022. | To ensure better Corporate Governance and compliance with Companies Act, 2013 |

## **COMPLIANCE WITH CORPORATE GOVERNANCE**

In addition to the applicable provisions of the Companies Act, 2013, provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI (ICDR) Regulations will be applicable to our Company immediately upon the listing of our Company's Equity Shares on the BSE and NSE. The requirements pertaining to the composition of the Board of Directors and the constitution of the committees such as the Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committees, Risk Management Committee and Corporate Social Responsibility Committee as applicable on us, have been complied with.

Our Board has been constituted in compliance with the Companies Act, 2013 and in accordance with the best practices in corporate governance. Our Board functions either as a full board or through various committees constituted to oversee specific operational areas. The executive management provides our Board detailed reports on its performance periodically.

Our Board of Directors consist of Eight (8) directors of which Four (4) are Independent Directors, and we have five women director on the Board. The constitution of our Board is in compliance with Section 149 of the Companies Act, 2013.

Our Company has constituted the following committees:

### **1. Audit Committee**

Our Company has formed an Audit Committee ("Audit Committee"), vide Board Resolution dated July 02, 2022, as per the applicable provisions of the Section 177 of the Companies Act, 2013 read with rule 6 of the companies (Meeting of board and its power) rules, 2014 and Regulation 18 of Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The constituted Audit Committee comprises following members:

| <b>Name of the Director</b>  | <b>Status in Committee</b> | <b>Nature of Directorship</b> |
|------------------------------|----------------------------|-------------------------------|
| Suresh Kumar Verma           | Chairman                   | Independent Director          |
| Heena Hareshbhai Jaichandani | Member                     | Independent Director          |
| Chetan Mohan Joshi           | Member                     | Managing Director             |

The Company Secretary of our Company shall act as a Secretary to the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to answer shareholder queries. The scope and function of the Audit Committee and its terms of reference shall include the following:

**A. Tenure:** The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.

**B. Meetings of the Committee:** The committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between any two meetings. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher.

**C. Role and Powers:** The Role of Audit Committee together with its powers as Part C of Schedule II of SEBI Listing Regulation, 2015 and Companies Act, 2013 shall be as under:

**The Audit Committee shall have powers, including the following:**

- 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 as may be prescribed under the Companies Act, 2013 (together with the rules thereunder) and SEBI Listing Regulations; and
- e) to have full access to information contained in records of Company.

**The role of the Audit Committee shall include the following:**

- 1) Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
- 2) Recommending to the Board for the appointment, re-appointment, replacement, remuneration and terms of appointment of the statutory auditors of the Company;

- 3) Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
- 4) Approving payments to the statutory auditors for any other services rendered by the statutory auditors;
- 5) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act;
  - 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; and
  - g. Qualifications and modified opinions in the draft audit report.
- 6) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- 7) 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. This also includes monitoring the use/application of the funds raised through the proposed initial public offer by the Company;
- 8) Approval or any subsequent modifications of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;
- 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) Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
- 13) Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;
- 14) 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;
- 15) Discussing with internal auditors on any significant findings and follow up thereon;
- 16) 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;
- 17) Discussing 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;
- 18) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- 19) Reviewing the functioning of the whistle blower mechanism;
- 20) Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;
- 21) Reviewing the utilization of loans and/ or advances from/investment by the holding company in any subsidiary exceeding ₹1,000 million or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
- 22) Considering and commenting on the rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;
- 23) Such roles as may be delegated by the Board and/or prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law; and
- 24) Carrying out any other functions as is mentioned in the terms of reference of the audit committee or containing into SEBI (LODR) Regulations 2015.

Further, 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 appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and
- 6) statement of deviations:
  - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI ICDR Regulations;
  - b. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI ICDR Regulations.

## 2. Stakeholders Relationship Committee

Our Company has formed the Stakeholders Relationship Committee as per the applicable provisions of the Section 178(5) and other applicable provisions of the Companies Act, 2013 read with rule 6 of the companies (Meeting of board and its power) rules, 2014 and Regulation 20 of SEBI Listing Regulation, 2015 vide Resolution dated July 02, 2022. The constituted Stakeholders Relationship Committee comprises the following:

| Name of the Director         | Status in Committee | Nature of Directorship |
|------------------------------|---------------------|------------------------|
| Suresh Kumar Verma           | Chairman            | Independent Director   |
| Heena Hareshbhai Jaichandani | Member              | Independent Director   |
| Pooja Saurabh Bhatt          | Member              | Non-Executive Director |

The Company Secretary of our Company shall act as a Secretary to the Stakeholders Relationship Committee. The scope and function of the Stakeholders Relationship Committee and its terms of reference shall include the following:

- A. Tenure:** The Stakeholders Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholders Relationship Committee as approved by the Board.
- B. Meetings:** The Stakeholder Relationship Committee shall meet at least once in a year, and shall report to the Board on a quarterly basis regarding the status of re-dressal of the complaints received from the shareholders of the Company. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher.
- C. Scope and Term of Reference:** The terms of reference of the Stakeholders Relationship Committee as per Regulation 20 and Part D of Schedule II of SEBI Listing Regulations, 2015 and Companies Act, 2013 shall be as under:
  - 1) Consider and resolve grievances of security holders of the Company, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;
  - 2) Review of measures taken for effective exercise of voting rights by shareholders;
  - 3) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent;
  - 4) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
  - 5) Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
  - 6) To handle the grievances of the stakeholders in connection with the allotment and listing of shares;
  - 7) Ensure proper and timely attendance and redressal of investor queries and grievances;
  - 8) Carrying out any other functions contained in the Companies Act, 2013 and/or other documents (if applicable), as and when amended from time to time; and
  - 9) To perform such functions as may be delegated by the Board and to further delegate all or any of its power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s); and
  - 10) Such terms of reference as may be prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law.

## 3. Nomination and Remuneration Committee

Our Company has formed the Nomination and Remuneration Committee pursuant to Section 178, Schedule V and other

applicable provisions of the Companies Act, 2013 read with rule 6 of the companies (Meeting of board and its power) rules, 2014 and Regulation 19 of SEBI Listing Regulation, 2015 vide Resolution dated July 02, 2022. The Nomination and Remuneration Committee comprise the following:

| Name of the Director         | Status in Committee | Nature of Directorship |
|------------------------------|---------------------|------------------------|
| Suresh Kumar Verma           | Chairman            | Independent Director   |
| Heena Hareshbhai Jaichandani | Member              | Independent Director   |
| Raina Singh Chauhan          | Member              | Independent Director   |

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee. The scope and function of the Committee and its terms of reference shall include the following:

**A. Tenure:** The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

**B. Meetings:** The committee shall meet as and when the need arises for review of Managerial Remuneration, subject to at least one meeting in a year. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher.

**C. Score and Terms of Reference:**

The terms of reference of the Nomination and Remuneration Committee as per Regulation 19 and Part D of Schedule II of SEBI Listing Regulations and Companies Act, 2013 shall be as under

- 1) formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- 2) for the appointment of an independent director, the committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the board of directors of the Company for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  1. use the services of external agencies, if required;
  2. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  3. consider the time commitments of the candidates.
- 3) formulation of criteria for evaluation of the performance of independent directors and the Board;
- 4) devising a policy on diversity of our Board;
- 5) identifying persons, who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluation of every director's performance;
- 6) determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- 7) recommending remuneration of executive directors and any increase therein from time to time within the limit approved by the members of our Company;
- 8) recommending remuneration to non-executive directors in the form of sitting fees for attending meetings of the Board and its committees, remuneration for other services, commission on profits;
- 9) recommending to the Board, all remuneration, in whatever form, payable to senior management;
- 10) performing such functions as are required to be performed by the compensation committee under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended;
- 11) engaging the services of any consultant/professional or other agency for the purpose of recommending compensation structure/policy;
- 12) analyzing, monitoring and reviewing various human resource and compensation matters;
- 13) reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
- 14) framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
  1. The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended; or
  2. The SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended; and

- 15) performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations, Companies Act, each as amended or other applicable law.

#### 4. Corporate Social Responsibility Committee

Our Company has reconstituted the Corporate Social Responsibility Committee as per the applicable provisions of the Section 135 of the Companies Act, 2013 (as amended or re-enacted from time to time) read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 vide Resolution dated July 02, 2022. The Corporate Social Responsibility Committee comprises the following:

| Name of the Director         | Status in Committee | Nature of Directorship |
|------------------------------|---------------------|------------------------|
| Suresh Kumar Verma           | Chairman            | Independent Director   |
| Heena Hareshbhai Jaichandani | Member              | Independent Director   |
| Chetan Mohan Joshi           | Member              | Managing Director      |

The Company Secretary of our Company shall act as a Secretary to the Corporate Social Responsibility Committee. The terms of reference of the CSR Committee include the following:

- To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as specified in schedule VII of the Companies Act, 2013;
- To review and recommend the amount of expenditure to be incurred on activities referred to in clause (a) of sub-section (3) of Section 135 of the Companies Act, 2013;
- To institute a transparent monitoring mechanism for the implementation of the CSR projects, programs and activities undertaken the Company from time to time;
- To Monitor the Corporate Social Responsibility policy of the Company from time to time;
- Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

#### 5. Risk Management Committee

The Risk Management Committee was constituted pursuant to resolution passed by our Board in its meeting held on July 02, 2022. The scope and functions of the Risk Management Committee are in accordance with the SEBI Listing Regulations and its terms of reference as stipulated pursuant to resolution passed by our Board in its meeting held on July 02, 2022 are set forth below:

| Name of the Director         | Status in Committee | Nature of Directorship               |
|------------------------------|---------------------|--------------------------------------|
| Saurabh Kishorbhai Bhatt     | Chairman            | Chairman and Joint Managing Director |
| Suresh Kumar Verma           | Member              | Independent Director                 |
| Heena Hareshbhai Jaichandani | Member              | Independent Director                 |

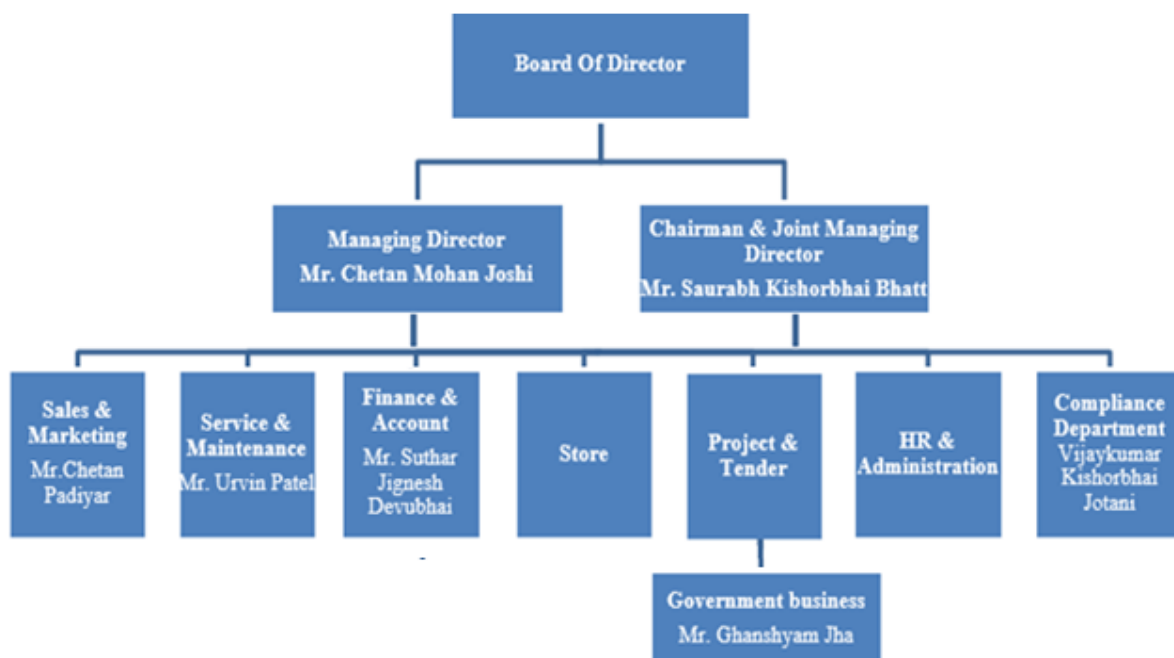
Company Secretary of our Company shall act as a Secretary to the Risk Management Committee. The scope and function of the Risk Management Committee and its terms of reference shall include the following:-

- Tenure:** The Risk Management Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Risk Management Committee as approved by the Board.
- Meetings:** The Risk Management Committee shall meet at least once in a year, The Risk Management Committee shall periodically assess risks to the effective execution of business strategy and review key leading indicators in this regard. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher.
- Scope and terms of reference:** The terms of reference of the Risk Management Committee as per Regulation 21 and Schedule II of SEBI Listing Regulations, 2015 and Companies Act, 2013 shall be as under:
  - To formulate a detailed risk management policy which shall include:
    - A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
    - Measures for risk mitigation including systems and processes for internal control of identified risks.

- c) Business continuity plan.
- 2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- 3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- 4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- 5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- 6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee

### **Management Organization Structure**

The following chart depicts our Management Organization Structure:-



### **KEY MANAGERIAL PERSONNEL**

In addition to Saurabh Kishorbhai Bhatt, the Chairman and Joint Managing Director of our Company, and Chetan Mohan Joshi, Managing Director of our Company, whose details are provided in “Brief profiles of our Directors” on page 129, the details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus are as set forth below:

**Jignesh Devubhai Suthar** is the chief financial officer of our Company. He has been the chief financial officer of our Company since August 06, 2022. He is responsible for managing the accounting and financial operations of our Company. He holds a bachelor of commerce from Gujarat University. He has approximately 14 years of experience in accounting and finance. Before his association with our Company in the year August 01, 2010 in accounts department, he was associated with Universal Aspi Motors Private Limited, The remuneration paid to him for Fiscal 2022 was ₹ 9,54,000.

**Vijaykumar Kishorbhai Jotani** is the Company Secretary and Compliance Officer of our Company. He has been associated with our Company since June 01, 2022. In our Company, he handles secretarial and compliance functions. He holds a certificate Bachelors of laws from the Saurashtra University and he holds a certificate of Masters in Commerce in Business policy and Corporate Governance from Indira Gandhi National Open University. He is a member of the Institute of Company Secretaries of India. He has over 15 years of experience in legal and secretarial functions. Before her association with our Company, he has previously served Simandhar Finance Limited, Ahmedabad. Since he joined our Company in Fiscal 2022, he was not paid any remuneration for Fiscal 2022.

## Senior Management Personnel

The details of our Senior Management Personnel as on the date of this Draft Red Herring Prospectus are set forth below:

**Ghanshyam Jha** is the Business Development Manager - Government and Project of our Company. He has been associated with our Company since February 16, 2013. He is responsible for the marketing and business development activities related to the tender and project. Before his association with our Company, he has previously been associated with Esaote India (NS) Limited. He holds a certificate from Bachelor of Engineering (Electronics and Communication) from Barkatullah Vishwavidyalaya Bhopal and has an experience of around 13 years. The remuneration paid to him for Fiscal 2022 was ₹ 22,41,000.

**Urvin Patel** is the Zonal Service Manager of our Company. He has been associated with our Company since August 25, 2014. He is responsible for the service and maintenance activities of the turnkey projects. He holds a certificate of Bachelors of Engineering (Electrical & Electronics Engineering) and has an experience of around 7.5 years. The remuneration paid to her for Fiscal 2022 was ₹ 8,89,000.

**Chetan Padhiyar** is the Supervisor sales of our Company. He has been associated with our Company since February 01, 2013. He is responsible for the marketing and business development activities of our Company. He has an experience of around 9 years. He holds a certificate of Matriculation from Gujarat Secondary Education Board, Gandhinagar. The remuneration paid to him for Fiscal 2022 was ₹ 10,30,000.

### We confirm that:

- All the persons named as our Key Managerial Personnel above are the permanent employees of our Company.
- There is no understanding with major shareholders, customers, suppliers or any others pursuant to which any of the above mentioned Key Managerial Personnel have been recruited.
- In respect of all above mentioned Key Managerial Personnel there has been no contingent or deferred compensation accrued for the financial year ended March 31, 2022.
- Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements or service contracts (including retirement and termination benefits) with the issuer.
- Our Company does not have any bonus/profit sharing plan for any of the Key Managerial Personnel.
- None of the Key Managerial Personnel in our Company hold any shares of our Company as on the date of filing of this Draft Red Herring Prospectus except as under:-

| Sr. No. | Name of the KMPs         | No. of Shares held |
|---------|--------------------------|--------------------|
| 1       | Saurabh Kishorbhai Bhatt | 69,00,000          |
| 2       | Chetan Mohan Joshi       | 69,00,000          |
|         | <b>Total</b>             | <b>1,38,00,000</b> |

### Turnover of KMPs/ Attrition of Employees

The turnover of KMPs/ attrition of employees is not high, compared to the Industry to which our company belongs.

### Family relationship between KMPs

None of our KMPs are related to each other.

### Payment of benefits to officers of Our Company (*non-salary related*)

Except as disclosed in this Draft Red Herring Prospectus and any statutory payments made by our Company to its officers, our Company has not paid any sum, any non-salary related amount or benefit to any of its officers or to its employees including amounts towards super-annuation, ex-gratia/rewards.

Except statutory benefits upon termination of employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of such officer's employment in our Company or superannuation. Contributions are made by our Company towards provident fund, gratuity fund and employee state insurance.

### Changes in the Key Managerial Personnel in last three years:

There have been no changes in the Key Managerial Personnel of our Company during the last 3 (three) year except as stated below:

| Sr. No. | Name of Director             | Designation and period  | Appointment/Cessation/Re-designation | Reasons  |
|---------|------------------------------|---|--------------------------------------|--|
| 1.      | Saurabh Kishorbhai Bhatt     | Change in Designation as Chairman & Joint Managing Director w.e.f. August 03, 2022 for a period of 5 years. | Re-designation                       | To comply with the provisions of Companies Act 2013 and to ensure better Corporate Governance. |
| 2.      | Chetan Mohan Joshi           | Change in Designation as Managing Director w.e.f. July 02, 2022 for a period of 5 years                     | Re-designation                       | To comply with the provisions of Companies Act 2013 and to ensure better Corporate Governance. |
| 3.      | Saurabh Kishorbhai Bhatt     | Change in Designation as Chairman & Executive Director w.e.f. July 02, 2022 for a period of 5 years.        | Re-designation                       | To comply with the provisions of Companies Act 2013 and to ensure better Corporate Governance. |
| 4.      | Jignesh Devubhai Suthar      | Appointment as Chief financial Officer w.e.f. August 06, 2022   | Appointment                          | To comply with the provisions of Companies Act 2013 and to ensure better Corporate Governance. |
| 5.      | Vijaykumar Kishorbhai Jotani | Appointment as Company Secretary and Compliance Officer w.e.f. June 01, 2022                                | Appointment                          | To comply with the provisions of Companies Act 2013 and to ensure better Corporate Governance. |

#### **Interest of Our Key Managerial Persons**

Apart from the shares held in the Company held by Saurabh Kishorbhai Bhatt and Chetan Mohan Joshi, and to extent of remuneration allowed and reimbursement of expenses incurred by them for or on behalf of the Company and to the extent of loans and advances made to the Company, none of our key managerial personal are interested in our Company. For details, please refer section titled "*Financial information – Note 38 - Related Party Disclosures*" beginning on page 191 of this Draft Red Herring Prospectus.

#### **Interest in the property of our Company**

Except as disclosed in chapter titled "Our Management" beginning on page 129 of this Draft Red Herring Prospectus, our KMPs do not have any interest in any property acquired by our Company in a period of two years before filing of this Draft Red Herring Prospectus or proposed to be acquired by us as on date of filing the Draft Red Herring Prospectus with ROC.

#### **Details of Service Contracts of the Key Managerial Personnel**

Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements with our Company for provision of benefits or payments of any amount upon termination of employment.

#### **Loans given/availed by Directors / Key Managerial Personnel of Our Company**

For details of unsecured loan taken from or given to our Directors/KMPs and for details of transaction entered by them in the past please refer to "*Note 38 – Related Party Disclosure*" page 191 of this Draft Red Herring Prospectus.

#### **ESOP/ESPS SCHEME TO EMPLOYEES**

Presently, we do not have any ESOP/ESPS Scheme for our employees.

## OUR PROMOTERS AND PROMOTER GROUP


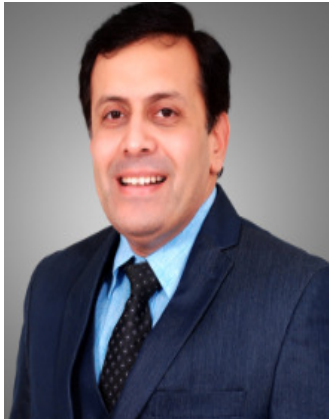
### Our Promoters:

The Promoters of our Company are:

1. Saurabh Kishorbhai Bhatt;
2. Chetan Mohan Joshi

As on date of this Draft Red Herring Prospectus, the Promoters, in aggregate, hold 1,38,00,000 Equity shares of our Company, representing 98.57% of the pre-issue paid-up Equity Share capital of our Company. For details of the build-up of the Promoters' shareholding in our Company, see "*Capital Structure – Capital Buildup in respect of Shareholding of our Promoters*", on pages 63 of this Draft Red Herring Prospectus.

### Details of our Promoters:

|   |   |
|---|---|
|   | <p><b>Saurabh Kishorbhai Bhatt- Chairman &amp; Joint Managing Director</b></p> <p>Saurabh Kishorbhai Bhatt, aged 44 years, is one of our Promoters and is also the Chairman &amp; Joint Managing Director on our Board. For further details, i.e., his date of birth, residential address, educational qualifications, experience in business or employment, business and financial activities, special achievements, positions / posts held in the past and other directorships, see "Our Management – Brief biographies of Directors" on page 129.</p> <p><b>Other ventures of our Promoters</b> - Except as set out in this chapter under heading "Other ventures of our Promoters" and the chapter titled 'Our Management', our Promoters are not involved with any other venture, as a shareholder/stakeholder, proprietor, partner, promoter or director.</p> <p>His permanent account number is AHYPB9811D.</p> <p>For details of his shareholding, please see "Capital Structure" on page 63.</p> |
|  | <p><b>Chetan Mohan Joshi – Managing Director</b></p> <p>Chetan Mohan Joshi, aged 46 years, is one of our Promoters and is also the Managing Director on our Board. For further details, i.e., his date of birth, residential address, educational qualifications, experience in business or employment, business and financial activities, special achievements, positions / posts held in the past, other directorships, see "Our Management – Brief biographies of Directors" on page 129.</p> <p><b>Other ventures of our Promoters</b> - Except as set out in this chapter under heading "Other ventures of our Promoters" and the chapter titled 'Our Management', our Promoters are not involved with any other venture, as a shareholder/stakeholder, proprietor, partner, promoter or director.</p> <p>His permanent account number is AFBPJ3352E.</p> <p>For details of his shareholding, please see "Capital Structure" on page 63.</p>   |

### Confirmations/Declarations:

In relation to our Promoters, our Company confirms that the PAN, bank account numbers, passport numbers, Aadhaar card number and driving license number shall be submitted to BSE and NSE at the time of filing of this Draft Red Herring Prospectus.

### Change in the control of our Company

Our Promoters are the original promoters of our Company and there has not been any change in the control of our Company in the five years immediately preceding the date of this Draft Red Herring Prospectus.

### **Interest of our Promoters:**

#### ***Interest in promotion and shareholding of Our Company:***

Our Promoters are interested in the promotion of our Company and also to the extent of their shareholding and shareholding of their relatives, from time to time, for which they are entitled to receive dividend payable, if any, and other distribution in respect of the Equity Shares held by them and their relatives. As on the date of this Draft Red Herring Prospectus, our Promoters, Chetan Mohan Joshi and Saurabh Kishorbhai Bhatt, collectively holds 1,38,00,000 Equity Shares in our Company i.e. 98.57% of the pre issue paid up Equity Share Capital of our Company. For details regarding the shareholding of our Promoters in our Company, please see “Capital Structure” on page 63 of this Draft Red Herring Prospectus.

Our Promoters may also be deemed to be interested to the extent of the remuneration, as per the terms of their appointment and reimbursement of expenses payable to them for the rent, purchase and sale transactions. For details, please refer to **Note 38 – “Related Party Disclosures”** beginning on page 191 of this Draft Red Herring Prospectus.

#### ***Interest in the property of Our Company:***

Except as mentioned hereunder our Promoters do not have any other interest in any property acquired by our Company in a period of two years before filing of this Draft Red Herring Prospectus or proposed to be acquired by us as on date of this Draft Red Herring Prospectus.

| <b>Sr. No.</b> | <b>Name of Promoter</b>                          | <b>Address of Property</b>  | <b>Interest and nature of interest</b>   |
|----------------|--|---|--|
| 1.             | Chetan Mohan Joshi and Saurabh Kishorbhai Bhatt  | 908, 9 <sup>th</sup> Floor, Venus Atlantis Corporate Park, Anandnagar, Prahladnagar Ahmedabad, Gujarat 380015 India.          | This property has been taken on leave & license basis by the Company under a leave & license agreement dated April 01, 2022, from Chetan Mohan Joshi and Saurabh Kishorbhai Bhatt. The period for is 11 months and lease amount is sum of ₹ 1,25,000/- per month, renewable as mutually decided by the parties.                            |
| 2              | Saurabh Kishorbhai Bhatt and Chetan Mohan Joshi  | 3 <sup>rd</sup> Floor, S-2, B-14, Tonk Road, Jai Ambenagar , near Gopalpura bypass, Jaipur, Rajasthan-302018                  | This property has been taken in use by company via leave & license agreement dated April 01, 2022, from Chetan Mohan Joshi and Saurabh Kishorbhai Bhatt. The period for lease is 11 months and lease amount is sum of ₹ 35,000 per month, renewable as mutually decided by the parties.  |
| 3              | Pooja Saurabh Bhatt and Saurabh Kishorbhai Bhatt | Unit No. 215, Second Floor, Gala Empire, Survey No. 49/3, Final Plot No. 113, T.P. Scheme No. 2, Memnagar, Ahmedabad, Gujarat | This property has been taken on leave & license basis by the Company under , under a leave and license agreement dated 01 <sup>st</sup> April 2022 from Pooja Saurabh Bhatt and Saurabh Kishorbhai Bhatt. The period for lease is 11 months and lease amount is sum of ₹ 40,000/- per month, renewable as mutually decided by the parties. |
| 4              | Archana Chetan Joshi and Chetan Mohan Joshi      | Unit No. 216, Second Floor, Gala Empire, Survey No. 49/3, Final Plot No. 113, T.P. Scheme No. 2, Memnagar, Ahmedabad, Gujarat | This property has been taken on leave & license basis by the Company under Leave and License agreement dated 01 <sup>st</sup> April 2022 from Archana Chetan Joshi and Chetan Mohan Joshi. The period for lease is 11 months and lease amount is sum of ₹ 40,000/- per month, renewable as mutually decided by the parties.                |
| 5              | Chetan Mohan Joshi and Saurabh Kishorbhai Bhatt  | Unit No. 712, Seventh Floor, Venus Atlantis Corporate Park, Anand Nagar road, Prahladnagar, Ahmedabad, Gujarat-380015         | This property has been taken on leave & license basis by the Company under Leave and License agreement dated 01 <sup>st</sup> April 2022 from Chetan Mohan Joshi and Saurabh Kishorbhai Bhatt. The period for lease is 11 months and lease amount is sum of ₹ 1,25,000/- per month, renewable as mutually decided by the parties.          |

***In transactions for acquisition of land, construction of building and supply of machinery***

None of our promoters or directors is interested in any transaction for the acquisition of land, construction of building or supply of machinery.

***Other Interests in our Company***

*For transactions in respect of loans and other monetary transactions entered in past please refer Note 38 on “Related Party Disclosures” on page 191 forming part of “Restated Financial Statements” of this Draft Red Herring Prospectus.*

Further, our promoters may be interested to the extent of personal guarantees given by them in favour of the Company, for the details of Personal Guarantee given by Promoters towards Financial facilities of our Company please refer to “Financial Indebtedness” and “Restated Financial Statements” on page 235 and 191 respectively of this Draft Red Herring Prospectus.

No sum has been paid or agreed to be paid to our Promoters or to a firm or company in cash or shares or otherwise by any person either to induce such person to become, or qualify them as a Director or Promoter, or otherwise for services rendered by them or by such firm or company in connection with the promotion or formation of our Company, in respect of a firm or a company in which our Promoters are interested as a member.

For the transactions with our Promoter Group entities please refer to section titled “Note 38- Related Party Disclosures” on page 191 of this Draft Red Herring Prospectus.

Except as stated in “Note 38 - Related Party Disclosures” beginning on page 191 of this DRHP, and as stated therein, our Promoters or any of the Promoter Group Entities do not have any other interest in our business.

**Payment or Benefits to our Promoters and Promoter Group during the last 2 years:**

For details of payments or benefits paid to our Promoters and promoter group, please refer to the paragraph “Compensation of our Managing Director” in the chapter titled “Our Management” beginning on page 129 also refer Note 38 on “Related Party Disclosures” on page 191 forming part of “Restated Financial Statements” and the paragraph titled “Interest of Promoters” under the chapter titled “Our Promoters and Promoter Group” on page 144 of this Draft Red Herring Prospectus.

**Material Guarantees**

Our Promoters have not given any material guarantee to any third party, in respect of the Equity Shares, as of the date of this Draft Red Herring Prospectus

**Companies/Firms with which our Promoters have disassociated in the last (3) three years**

Our Promoters have not disassociated themselves from any company, firms or other entities during the last three years preceding the date of this Draft Red Herring Prospectus.

**Other ventures of our Promoters**

Save and except as disclosed in this section titled “Corporate Entities or Firms forming part of the Promoter Group” under the chapter titled “Our Promoters & Promoter Group” and the chapter titled “Our Management”, beginning on page 144 and 129 of this Draft Red Herring Prospectus, there are no ventures promoted by our Promoters in which they have any business interests/ other interests.

**Experience of Promoters in the line of business**

Our Promoters, Chetan Mohan Joshi and Saurabh Kishorbhai Bhatt have an experience of around 18 years in the business of dealing in medical equipment.

**OUR PROMOTER GROUP:**

In addition to the Promoters named above, the following natural persons are part of our Promoter Group:

## 1. Natural Persons who are part of the Promoter Group

As per Regulation 2(1) (pp) (ii) of the SEBI (ICDR) Regulations, 2018, the Natural persons who are part of the Promoter Group (due to their relationship with the Promoters) are as follows:

| Relationship with Promoters | Chetan Mohan Joshi          | Saurabh Kishorbhai Bhatt                      |
|-----------------------------|-----------------------------|---|
| Father                      | Mohan Champalal Joshi       | Kishorbhai Ichhashankar Bhatt                 |
| Mother                      | Late. Kankuben Joshi        | Devyaniben Kishorbhai Bhatt                   |
| Spouse                      | Archana Chetan Joshi        | Pooja Saurabh Bhatt                           |
| Brother                     | Sunil Joshi<br>Sanjay Joshi | -   |
| Sister                      | -                           | Hiral Joshi                                   |
| Son                         | Atharwa Joshi               | Dhvanan Saurabh Bhatt<br>Aditya Saurabh Bhatt |
| Daughter                    | -                           | -   |
| Spouse's Father             | Gajanand Trivedi            | Pradeep Oza                                   |
| Spouse's Mother             | Jayshree Trivedi            | Dina ben Oza                                  |
| Spouse's Brother            | -                           | -   |
| Spouse's Sister             | Aparna Joshi                | Charvi Ghabne                                 |

## 2. Corporate Entities or Firms forming part of the Promoter Group

As per Regulation 2(1) (pp) (iv) of the SEBI (ICDR) Regulations, 2018, the following entities would form part of our Promoter Group:

| S. No. | Nature of Relationship  | Entities   |
|--------|---|--|
| 1.     | 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 relatives is a member | 1. Aprameya Engineering (India) Private Limited<br>2. Mecviz Endocsopy Private Limited<br>3. Manitechnest Solutions LLP<br>4. D & A Instrumentation Labs LLP |
| 2      | Any Body Corporate in which a body corporate as provided in (A) above holds twenty per cent. or more, of the equity share capital; and  | --   |
| 3      | Any Hindu Undivided Family or firm in which the aggregate share of the promoters and their relatives is equal to or more than twenty per cent. of the total capital;  | <b>HUF's</b><br>1. Saurabh Kishor Bhatt HUF (Aprameya Healthcare)<br>2. Chetan Mohan Joshi HUF (Aprameya Life Science)<br><b>Partnership Firms:</b><br>Nil   |

## **OUR GROUP COMPANIES**

In terms of the SEBI ICDR Regulations, the term “group companies”, includes (i) companies (other than promoter(s) and subsidiary(ies) with which there were related party transactions during the period for which financial information is disclosed, as covered under applicable accounting standards, and (ii) any other companies considered material by the board of directors of the relevant issuer company.

Accordingly, all such companies with which our Company had related party transactions as per the Restated Financial Statements, as covered under the relevant accounting standard (i.e. Ind AS 24) have been considered as Group Companies in terms of the SEBI ICDR Regulations.

Additionally, pursuant to the resolution of our Board of Directors dated July 02, 2022 for the adoption of the Materiality Policy for identification of the Group company, a company shall be considered material and shall be disclosed as a Group Company in this Draft Red Herring Prospectus if:

- (i) such company is a member of the Promoter Group; and
- (ii) our Company has entered into one or more transactions with such company during the last completed Financial Year and the most recent period (if applicable) of the Restated Financial Statement, which individually or cumulatively in value exceeds 10% of the total restated revenue of our Company as per the Restated Financial Statements of the last financial year.

Based on the above, the following Companies are identified as our Group Companies:-

- 1. Aprameya Engineering (India) Private Limited
- 2. Mecviz Endoscopy (I) Private Limited

### **Details of our Group Companies:**

#### **1. Aprameya Engineering (India) Private Limited (“AEIPL”)**

##### **Corporate Information**

AEIPL was incorporated on June 12, 2010 as a private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the Registrar of Companies, Ahmedabad.

|                          |   |
|--------------------------|---|
| <b>CIN</b>               | U33110GJ2010PTC061086   |
| <b>Registered Office</b> | A-3-502, Green Acres, nr Auda Garden, Prahladnagar, Ahmedabad-380015, India |

##### **Financial Information**

In accordance with the SEBI ICDR Regulations, details of reserves (excluding revaluation reserves), sales, profit after tax, earnings per share, diluted earnings per share and Net Asset Value, derived from the latest audited financial statements available on a standalone basis of AEIPL for the Fiscals 2021, 2020 and 2019, are available [www.aelhealth.com](http://www.aelhealth.com).

*It is clarified that such details available in relation to AEIPL on the website do not form a part of this DRHP. Anyone placing reliance on any other source of information, would be doing so at their own risk. The link above has been provided solely to comply with the requirements of the SEBI ICDR Regulations. None of our Company, the BRLM or any of their respective directors, employees, affiliates, associates, advisors, agents or representatives have verified the information available on the link provided above.*

#### **2. Mecviz Endoscopy (I) Private Limited (“MEIPL”)**

##### **Corporate Information**

MEIPL was incorporated on April 17, 2012 as a private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the Registrar of Companies, Ahmedabad.

|            |                       |
|------------|-----------------------|
| <b>CIN</b> | U33110GJ2012PTC069910 |
|------------|-----------------------|

|                          |  |
|--------------------------|--|
| <b>Registered Office</b> | A1/202, Green Acres, Opp Auda Lake, Nr. Vastrapur RLY. Crossing, Vejalpur, Ahmedabad Gujarat-380015, India |
|--------------------------|--|

### **Financial Information**

In accordance with the SEBI ICDR Regulations, details of reserves (excluding revaluation reserves), sales, profit after tax, earnings per share, diluted earnings per share and Net Asset Value, derived from the latest audited financial statements available on a standalone basis of MEIPL for the Fiscals 2021, 2020 and 2019, are available [www.aelhealth.com](http://www.aelhealth.com)

*It is clarified that such details available in relation to MEIPL on the website do not form a part of this DRHP. Anyone placing reliance on any other source of information, would be doing so at their own risk. The link above has been provided solely to comply with the requirements of the SEBI ICDR Regulations. None of our Company, the BRLM or any of their respective directors, employees, affiliates, associates, advisors, agents or representatives have verified the information available on the link provided above*

### **Common pursuits among Group Companies**

Except as disclosed below, there are no common pursuits among any of our Group Companies and our Company:

Aprameya Engineering (India) Private Limited and Mecviz Endoscopy (I) Private Limited are engaged in the business of dealing in medical and surgical equipment, which is similar to that of our company. Further, our Company and the group companies in the same line of business have not entered into any non-compete agreements. However, our Company will ensure necessary procedures and practices as permitted by laws and regulatory guidelines to address situations of conflict of interest as and when they arise. For further details, see “Risk Factor” on page 27.

### **Nature and extent of interest of our Group Companies**

#### **a) Interest in the promotion of our Company**

None of our Group Companies have any interest in the promotion of our Company.

#### **b) Interest in the property acquired or proposed to be acquired by the Company**

None of our Group Companies are interested, directly or indirectly, in the properties acquired by our Company in the preceding three years or proposed to be acquired by our Company.

#### **c) Interest in transactions for acquisition of land, construction of building, or supply of machinery**

None of our Group Companies are interested, directly or indirectly, in any transactions for acquisition of land, construction of building and supply of machinery, with our Company.

### **Related business transactions and their significance on the financial performance of our Company**

Other than the transactions disclosed in the section “Financial Information –Related Party Disclosure” on page 191, there are no related business transactions between the Group Companies and our Company.

### **Business interest of our Group Companies in our Company**

Except as disclosed in the section “Financial Information – Related Party Disclosure” and “History and corporate structure” on page 191 and page 126, our Group Companies have no business interests in our Company.

### **Litigations**

Except as disclosed in the section “Outstanding Litigation and Material Developments” on page 237, our Group Companies does not have any pending litigation which can have a material impact on our Company.

**Other confirmations**

None of our Group Companies have securities listed on any stock exchanges in India or abroad. Our Group Companies have not made any public / rights / composite issue of securities (as defined under the SEBI ICDR Regulations) in the last three years preceding the date of this Draft Red Herring Prospectus.

## **DIVIDEND POLICY**

The declaration and payment of dividends, if any, will be recommended by our Board and approved by our shareholders at their discretion, subject to the provisions of our Articles of Association and the applicable laws including the Companies Act together with the applicable rules issued thereunder. The dividends, if any, will depend on a number of factors, including but not limited to the earnings, capital requirements and overall financial condition of our Company. Our Company has adopted a dividend distribution policy (“**Dividend Policy**”) pursuant to a resolution of the Board dated July 02, 2022. In terms of the Dividend Policy, the dividend pay-out, if any, shall be determined by the Board after taking into account a number of financial parameters, internal factors and external factors, including the distributable surplus available, our Company’s liquidity position and future cash flow needs, capital expenditure requirements, the pay-out ratios of comparable companies, the prevailing taxation policy and macro-economic conditions.

No dividends have been paid our Company on the Equity Shares since its incorporation.

There is no guarantee that any dividends will be declared or paid by our Company in the future. For details, see “Risk Factors - We cannot assure payment of dividends on the Equity Shares in the future” on page 27.

## **SECTION V –FINANCIAL INFORMATION**

### **RESTATED FINANCIAL STATEMENTS**

#### **INDEPENDENT AUDITOR’S EXAMINATION REPORT ON THE RESTATED FINANCIAL INFORMATION**

To

The Board of Directors

Aprameya Engineering Limited (Formerly known as Aprameya Engineering Private Limited)  
908, 9th Floor, Venus Atlantis Corporate Park,  
Anand Nagar, Prahladnagar,  
Ahmedabad, Gujarat,  
India, 380015

Dear Sirs,

1. We have examined the attached Restated Financial Information of Aprameya Engineering Limited (Formerly known as Aprameya Engineering Private Limited , formed by conversion of a partnership firm i.e “Aprameya Engineering”(referred as erstwhile partnership firm), under the provisions of Chapter XXI of Companies Act, 2013 on 28th December, 2021 ) (“the Company” or “the issuer.”) which comprise the Restated Statement of Assets and Liabilities as at March 31, 2022, March 31, 2021 and March 31, 2020 the Restated Statement of Profit and Loss including Other Comprehensive Income, Restated Statement of Changes in Equity and the Restated Statement of Cash Flows for the financial years ended March 31, 2022, March 31, 2021 and March 31, 2020 along with summary of Significant Accounting Policies and other explanatory information (collectively, the “Restated Financial Information”), as approved by Board of directors of the company at their meeting held on 24<sup>th</sup> August, 2022 for the purpose of inclusion in the Draft Red Hearing Prospectus (“DRHP”) prepared by the Company in connection with its proposed Initial Public Offer of Equity Shares (“Offer”) prepared in terms of the requirement of:
  - (i) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the “Companies Act”);
  - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”); and
  - (iii) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”), as amended from time to time (the “Guidance Note”).
2. The Company’s Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the DRHP to be filed with Securities and Exchange Board of India, BSE Limited and National Stock Exchange of India Limited (collectively, the “Stock Exchanges”) and Registrar of Companies, Gujarat in connection with the proposed IPO. The Restated Financial Information have been prepared by the management of the Company on the basis of preparation stated in note 2 to the Restated Financial Information. The responsibility of the Board of Directors of the Company includes designing, implementing and maintaining adequate internal controls relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Companies Act, ICDR Regulations and Guidance Notes.
3. We have examined such Restated Financial Information after taking into consideration:
  - a. The terms of reference and terms of our engagement agreed upon with you vide our Engagement letter dated 04<sup>th</sup> August, 2022 in connection with the proposed IPO of equity shares of the Company:
  - b. The Guidance Note, which also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
  - c. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and
  - d. The requirements of Section 26 of the Act and the ICDR Regulations.

Our work was performed solely to assist you in meeting your responsibilities in relation to compliance with the Act, the ICDR Regulations and Guidance Note in connection with the IPO.

4. The Restated Financial Information have been compiled by the management from:
- a) The audited First Ind AS financial statements of the Company from the date of conversion i.e. from December 28<sup>th</sup>, 2021 to March, 31<sup>st</sup> 2022 which were prepared in accordance with Indian Accounting Standard as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India and revised presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable. These First Ind AS financial statements have been approved by the Board of Directors at their meeting held on 03<sup>rd</sup> August 2022.
  - b) The Special Purpose Ind AS Financial Statements of the erstwhile partnership firm for the period upto December 27, 2021 and for the financial years ended March 31, 2021 and March 31, 2020 which have been revised by the Company to conform to the format prescribed for companies under the Companies Act, 2013, in accordance with Ind AS notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and adequate disclosures are made in the Special Purpose Ind AS Financial Statements required to be made by the company as per schedule III of the Companies Act, 2013; (collectively referred to as "the Special Purpose Ind AS Financial Statements"). These Special Purpose Ind AS Financial Statements have been approved by the Board of Directors at their meeting held on 23<sup>rd</sup> August, 2022. The financial statements of the erstwhile partnership firm was earlier been audited by the Jitendra A. Patel & Co. and they have issued the audit report for the financial years ended March 31, 2021 and March 31, 2020 dated November 13<sup>th</sup>, 2021 & December 30<sup>th</sup>, 2020, respectively. The financial statement of erstwhile firm for the period from 1<sup>st</sup> April 2021 to 27<sup>th</sup> December, 2021 were audited by us and we have issued the audit report on 3<sup>rd</sup> August, 2022.
5. For the purpose of our examination, we have relied on
- a) Auditor's report issued by us dated 03<sup>rd</sup> August, 2022 on first Ind AS financial statements of the Company as at March, 31<sup>st</sup> 2022 which were prepared in accordance with Indian Accounting Standard as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India and revised presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III),
  - b) Auditor's report issued by us dated 23<sup>rd</sup> August, 2022 on the Special Purpose Ind AS Financial Statements for the period upto December 27, 2021 and financial years ended March 31, 2021 and March 31, 2020, certifying that :
    - i. the accounts and the disclosures made in Special Purpose Ind AS Financial Statements are in accordance with the provisions of schedule III of the Companies Act, 2013;
    - ii. the company has followed Ind AS notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015(as amended) in the Special Purpose Ind AS Financial Statements
    - iii. the Special Purpose Ind AS Financial Statements presents a true and fair view of the firm's accounts
6. Based on our examination and according to the information and explanations given to us, we report that:
- a. The Restated Financial Information has been prepared after incorporating adjustments for the change in accounting policies, material errors and regrouping / reclassifications retrospectively in the financial year ended March 31, 2021 and March 31, 2020 to reflect the same accounting treatment as per the accounting policies and group / classifications followed for the year ended March 31, 2022;
  - b. There are no qualification in the auditor's reports which require any adjustments to the Restated Financial Information; and
  - c. The Restated Financial Information has been prepared in accordance with the Act, SEBI ICDR Regulations and the Guidance Note.
7. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the Ind As Financial Statements, as mentioned in paragraph 4 above.

8. This report should not be in any way construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
9. We have no responsibility to update our report for events and circumstances occurring after the date of this report.
10. Our Report is intended solely for use of the Board of Directors for inclusion in the DRHP to be filed with SEBI, National Stock Exchange of India Limited and BSE Limited, as applicable 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 towards any other person relying on the same.

For CNK & Associates LLP  
Chartered Accountants  
Firm Registration No.: 101961W/W-100036

Pareen Shah  
Partner  
Membership No.: 125011  
UDIN: 22125011APTFCE1657

Place: Ahmedabad  
Date: 24.08.2022

**ANNEXURE-I**

**RESTATED STATEMENT OF ASSETS AND LIABILITIES**

(₹ in Lakhs)

| Sr. No.    | Particulars   | Note No | As at 31st March, 2022 | As at 31st March, 2021 | As at 31st March, 2020 |
|------------|---|---------|------------------------|------------------------|------------------------|
|            | <b>ASSETS</b>   |         |                        |                        |                        |
| <b>(1)</b> | <b>Non-current assets</b>   |         |                        |                        |                        |
|            | (a) Property, Plant and Equipment   | 3       | 150.08                 | 54.49                  | 60.20                  |
|            | (b) Investment Property   | 4       | 7.81                   | 8.13                   | 8.45                   |
|            | <b>(c) Financial Assets</b>   |         |                        |                        |                        |
|            | (i) Other financial assets  | 5       | 430.43                 | 148.50                 | 128.80                 |
|            | (d) Deferred tax assets (Net)   | 6       | 15.23                  | 11.24                  | 21.13                  |
|            | (e) Other non-current assets  | 7       | 9.92                   | 11.45                  | 9.47                   |
|            |   |         | <b>613.47</b>          | <b>233.81</b>          | <b>228.05</b>          |
| <b>(2)</b> | <b>Current assets</b>   |         |                        |                        |                        |
|            | (a) Inventories   | 8       | 743.86                 | 353.27                 | 480.42                 |
|            | <b>(b) Financial Assets</b>   |         |                        |                        |                        |
|            | (i) Trade receivables   | 9       | 2,668.34               | 411.62                 | 610.69                 |
|            | (ii) Cash and cash equivalents  | 10      | 249.05                 | 0.76                   | 6.64                   |
|            | (iii) Bank balances other than cash and cash equivalents                    | 11      | 24.87                  | 3.77                   | 13.12                  |
|            | (iv) Loans  | 12      | 1.30                   | 6.31                   | 30.31                  |
|            | (v) Other financials assets   | 13      | 281.08                 | 7.98                   | 15.78                  |
|            | <b>(c) Other current assets</b>   | 14      | 292.24                 | 73.47                  | 13.29                  |
|            |   |         | <b>4,260.74</b>        | <b>857.18</b>          | <b>1,170.25</b>        |
|            | <b>Total Assets</b>   |         | <b>4,874.21</b>        | <b>1,090.99</b>        | <b>1,398.30</b>        |
|            |   |         |                        |                        |                        |
|            | <b>EQUITY AND LIABILITIES</b>   |         |                        |                        |                        |
|            | <b>Equity</b>   |         |                        |                        |                        |
|            | (a) Equity Share capital  | 15      | 700.00                 | 433.95                 | 374.21                 |
|            | (b) Other Equity  | 16      | 756.31                 | -                      | -                      |
|            | <b>Total equity attributable to equity holders of the Company</b>           |         | <b>1,456.31</b>        | <b>433.95</b>          | <b>374.21</b>          |
|            |   |         |                        |                        |                        |
|            | <b>LIABILITIES</b>  |         |                        |                        |                        |
| <b>(1)</b> | <b>Non-current liabilities</b>  |         |                        |                        |                        |
|            | <b>(a) Financial Liabilities</b>  |         |                        |                        |                        |
|            | (i) Borrowings  | 17      | 1,331.91               | 54.00                  | -                      |
|            | (b) Provisions  | 18      | 12.65                  | 8.58                   | 6.68                   |
|            | (c) Other Non-Current Liabilities   | 19      | 4.54                   | -                      | -                      |
|            |   |         | <b>1,349.10</b>        | <b>62.58</b>           | <b>6.68</b>            |
| <b>(2)</b> | <b>Current liabilities</b>  |         |                        |                        |                        |
|            | <b>(a) Financial Liabilities</b>  |         |                        |                        |                        |
|            | (i) Borrowings  | 20      | 36.37                  | 94.27                  | 403.21                 |
|            | (ii) Trade payables:-   | 21      |                        |                        |                        |
|            | -total outstanding dues of Micro enterprises and small enterprises          |         | 54.05                  | 30.71                  | 41.39                  |
|            | -total outstanding dues of creditors other than Micro and small enterprises |         | 1,745.32               | 393.84                 | 484.13                 |
|            | (iii) Other Financial liabilities   | 22      | 13.71                  | 3.31                   | 1.70                   |
|            | <b>(b) Other current liabilities</b>  | 23      | 114.30                 | 71.97                  | 86.68                  |
|            | (c) Provisions  | 24      | 13.27                  | 0.36                   | 0.30                   |
|            | (d) Current Tax Liabilities (Net)   |         | 91.78                  | -                      | -                      |

|  |                                     |  |                 |                 |                 |
|--|-------------------------------------|--|-----------------|-----------------|-----------------|
|  |                                     |  | <b>2,068.80</b> | <b>594.46</b>   | <b>1,017.41</b> |
|  |                                     |  |                 |                 |                 |
|  | <b>Total Equity and Liabilities</b> |  | <b>4,874.21</b> | <b>1,090.99</b> | <b>1,398.30</b> |

The above annexure should be read with the basis of preparation and significant accounting policies appearing in Annexure V, notes to the Restated Financial Information appearing in Annexure VI and Statement of Adjustments to the Restated Financial Information appearing in the Annexure VII.

**ANNEXURE- II**  
**RESTATED STATEMENT OF PROFIT & LOSS**

(₹ in Lakhs)

| Sr. No.     | Particulars   | Note No. | For the Year Ended |                  |                  |
|-------------|---|----------|--------------------|------------------|------------------|
|             |   |          | 31st March, 2022   | 31st March, 2021 | 31st March, 2020 |
| <b>I</b>    | Revenue From Operations   | 25       | 19,999.46          | 2,593.16         | 1,223.24         |
| <b>II</b>   | Other Income  | 26       | 26.73              | 8.07             | 9.27             |
| <b>III</b>  | <b>Total Income</b>   |          | <b>20,026.19</b>   | <b>2,601.23</b>  | <b>1,232.51</b>  |
| <b>IV</b>   | <b>EXPENSES</b>   |          |                    |                  |                  |
|             | Purchase of Stock in Trade  | 28       | 6,805.34           | 930.21           | 886.79           |
|             | Turnkey project expenses  | 27       | 8,991.78           | 830.92           | -                |
|             | Changes in Inventories of Finished Goods and Work-in-Progress   | 29       | (390.59)           | 127.15           | (173.13)         |
|             | Employee benefits expense   | 30       | 310.58             | 190.51           | 178.77           |
|             | Finance costs   | 31       | 91.75              | 86.57            | 90.46            |
|             | Depreciation and amortization expense   | 3        | 10.49              | 8.80             | 6.68             |
|             | Other expenses  | 32       | 1,795.54           | 274.13           | 171.51           |
|             | <b>Total expenses</b>   |          | <b>17,614.89</b>   | <b>2,448.29</b>  | <b>1,161.08</b>  |
| <b>V</b>    | <b>Profit before tax (III-IV)</b>   |          | 2,411.32           | 152.95           | 71.42            |
| <b>VI</b>   | <b>Tax expense:</b>   | 36       |                    |                  |                  |
|             | (1) Current tax   |          | 753.50             | 57.01            | 22.65            |
|             | (2) Deferred tax  |          | (3.47)             | 9.94             | (16.65)          |
|             | (3) Income Tax adjustments for the earlier years  |          |                    |                  |                  |
| <b>VII</b>  | <b>Profit After tax (V-VI)</b>  |          | <b>1,661.29</b>    | <b>86.00</b>     | <b>65.42</b>     |
| <b>VIII</b> | <b>Other Comprehensive Income</b>   |          |                    |                  |                  |
|             | A (i) <u>Items that will not be reclassified to profit or loss</u>  |          |                    |                  |                  |
|             | - Remeasurements of the defined benefit plans   |          | (2.05)             | (0.18)           | -                |
|             | (ii) <u>Income tax relating to items that will not be reclassified to profit or loss</u>                                  |          |                    |                  |                  |
|             | - Remeasurements of the defined benefit plans   |          | 0.52               | 0.04             | -                |
|             | <b>Total Comprehensive Income for the period (Comprising Profit and Other Comprehensive Income for the period) (V+VI)</b> |          | <b>1,659.76</b>    | <b>85.86</b>     | <b>65.42</b>     |
| <b>IX</b>   | <b>Earnings per equity share</b>  |          |                    |                  |                  |
|             | (1)Basic  |          | 11.87              | 0.61             | 0.47             |
|             | (2)Diluted  |          | 11.87              | 0.61             | 0.47             |

The above annexure should be read with the basis of preparation and significant accounting policies appearing in Annexure V, notes to the Restated Financial Information appearing in Annexure VI and Statement of Adjustments to the Restated Financial Information appearing in the Annexure VII.

**ANNEXURE –III  
CASH FLOW STATEMENT**

(₹ in Lakhs)

| Particulars   | For the<br>Year ended<br>31st<br>March,<br>2022 | For the<br>Year ended<br>31st<br>March,<br>2021 | For the<br>year ended<br>31st<br>March,<br>2020 |
|---|---|---|---|
| <b>A CASH FLOW FROM OPERATING ACTIVITIES</b>                      |   |   |   |
| Profit before exceptional items, prior period items and tax:      | 2,411.32  | 152.95  | 71.42   |
| Adjustments for :   |   |   |   |
| Depreciation  | 10.49   | 8.80  | 6.68  |
| Loss/(Gain) on disposal/discard of property , plant and equipment | (0.11)  | -   | -   |
| Provision for Loss allowances                                     | 3.26  | 8.09  | 8.36  |
| Remeasurements of the defined benefit plans in OCI                | (2.05)  | (0.18)  | -   |
| Interest income   | (9.17)  | (4.53)  | (2.69)  |
| Rent Income   | (3.35)  | (3.27)  | (3.17)  |
| Interest expense  | 91.75   | 86.57   | 90.46   |
| Operating Profit before working capital changes                   | <b>2,502.14</b>                                 | <b>248.43</b>                                   | <b>171.06</b>                                   |
| Adjustments for:  |   |   |   |
| (Increase)/Decrease in loans and advances                         | 5.01  | 24.00   | (23.00)   |
| (Increase)/Decrease in trade receivables                          | (2,259.47)                                      | 195.08  | 22.50   |
| (Increase)/Decrease in inventories                                | (390.59)  | 127.15  | (173.13)  |
| (Increase)/Decrease in other financial assets                     | (404.90)  | (4.83)  | (17.76)   |
| (Increase)/Decrease in other assets                               | (223.67)  | (60.17)   | (2.35)  |
| Increase/(Decrease) in Trade Payable                              | 1,374.81  | (100.96)  | 40.94   |
| Increase/(Decrease) in Other financial Liabilities                | 8.34  | 1.18  | (0.09)  |
| Increase/(Decrease) in Other Current Liabilities                  | 46.87   | (14.72)   | 10.27   |
| Increase/(Decrease) in Provisions                                 | 16.97   | 1.96  | 6.99  |
| Cash generated from Operations                                    | <b>675.51</b>                                   | <b>417.12</b>                                   | <b>35.43</b>                                    |
| Less : Direct taxes paid  | (655.31)  | (58.98)   | (29.25)   |
| <b>Net cash from Operating Activities (A)</b>                     | <b>20.20</b>                                    | <b>358.14</b>                                   | <b>6.18</b>                                     |
| <b>B CASH FLOW FROM INVESTING ACTIVITIES</b>                      |   |   |   |
| Purchase of Property, plant and equipment                         | (106.03)  | (2.78)  | (37.26)   |
| Proceeds from sale of Property, plant and equipment               | 0.39  | -   | -   |
| Fixed Deposits having maturity of more than 3 months              | (171.73)  | (1.82)  | (25.30)   |
| Interest received   | 9.17  | 4.53  | 2.69  |
| Rent Income Received  | 3.35  | 3.27  | 3.17  |
| <b>Net Cash used in Investing Activities (B)</b>                  | <b>(264.85)</b>                                 | <b>3.20</b>                                     | <b>(56.70)</b>                                  |
| <b>C CASH FLOW FROM FINANCIAL ACTIVITIES</b>                      |   |   |   |
| Addition /(Withdrawals) by partners                               | -   | (26.13)   | 83.05   |
| Unsecured Loan Received from Director                             | 574.98  | -   | -   |
| Receipt/(Repayment) in long term borrowing                        | 83.92   | 54.00   | -   |
| Receipt/(Repayment) of Short term Borrowings                      | (76.27)   | (308.95)  | 61.80   |
| Interest paid   | (89.69)   | (86.14)   | (90.46)   |
| <b>Net cash used Financing Activities (C)</b>                     | <b>492.94</b>                                   | <b>(367.22)</b>                                 | <b>54.39</b>                                    |
| <b>Net increase in cash and cash equivalents (A+B+C)</b>          | 248.29  | (5.88)  | 3.87  |
| Cash and cash equivalents at the beginning of the year            | 0.76  | 6.64  | 2.76  |
| <b>Cash and cash equivalents at the end of the year</b>           | <b>249.05</b>                                   | <b>0.76</b>                                     | <b>6.64</b>                                     |

| <b>Components of Cash &amp; Cash Equivalents</b>     |               |             |             |
|--|---------------|-------------|-------------|
| Cash on hand   | 3.55          | 0.76        | 6.52        |
| Balances with scheduled banks:                       |               |             |             |
| In current accounts                                  | -             | -           | 0.12        |
| Cash Credit Debit Balance                            | 245.50        | -           | -           |
|  |               |             |             |
| <b>Cash and Cash Equivalents (As per Note No.10)</b> | <b>249.05</b> | <b>0.76</b> | <b>6.64</b> |

1. Figures in the brackets represents cash outflow
2. (\*) The Company has issued equity shares of Rs.700.00 lakhs to partners of the erstwhile firm i.e. M/s Aprameya Engineering on its conversion to company. The shares were issued at par against the Fixed capital of partners outstanding as on date of conversion. Therefore, there is no impact on cash flows of the company on infusion of share capital.
3. Unsecured Loan from directors outstanding Rs.1212.37 as on 31st March.2022 includes Rs 615.82 transferred from partner's capital.

**ANNEXURE - IV**

**STATEMENT OF CHANGES IN EQUITY**

**A Equity Share Capital** (₹ in Lakhs)

| Particulars  | As at           |                 |                 |
|--|-----------------|-----------------|-----------------|
|  | 31st March 2022 | 31st March 2021 | 31st March 2020 |
| <b>Opening Balance</b>   | -               | -               | -               |
| Changes in Equity Share Capital due to prior period errors               | -               | -               | -               |
| <b>Restated balance at the beginning of the current reporting period</b> | -               | -               | -               |
| Changes in equity share capital during the current year                  | 700.00          | -               | -               |
| <b>Balance at 31st March</b>   | <b>700.00</b>   | -               | -               |

**B Other Equity**

**(i) Partners capital Account** (₹ in Lakhs)

| Particulars   | As at             |                 |                 |
|---|-------------------|-----------------|-----------------|
|   | 31st March 2022   | 31st March 2021 | 31st March 2020 |
| <b>Movement In Partner's Capital</b>  |                   |                 |                 |
| <b>Opening Balance</b>  | <b>433.95</b>     | <b>374.21</b>   | <b>225.73</b>   |
| <b>Add:</b>   |                   |                 |                 |
| Increase/(Decrease) during the Year   | -                 | (26.13)         | 83.06           |
| Share in Profit   | 881.87            | 85.87           | 65.42           |
| Less: Profit related to restated adjustments  |                   | -               | -               |
|   | <b>881.87</b>     | <b>59.74</b>    | <b>148.48</b>   |
| <b>Less:</b>  |                   |                 |                 |
| Withdrawal during the year  |                   |                 |                 |
| Less: Fixed capital balance transferred to Equity Share Capital on conversion of partnership firm to Company as on 27.12.2021 | (700.00)          | -               | -               |
| Less: Transferred to Unsecured Loan from Directors/partners on conversion of partnership firm to Company as on 27.12.2021     | (615.82)          | -               | -               |
|   | <b>(1,315.82)</b> | -               | -               |
| <b>Closing Balance</b>  | <b>0.00</b>       | <b>433.95</b>   | <b>374.21</b>   |

**(i) Retained earnings:** (₹ in Lakhs)

| Particulars   | As at           |                 |                 |
|---|-----------------|-----------------|-----------------|
|   | 31st March 2022 | 31st March 2021 | 31st March 2020 |
| <b>Opening balance</b>  | -               | -               | -               |
| Add: Net profit for the year as per Statement of Profit and Loss                        | 1,661.28        | 86.00           | 65.42           |
| Add/(less): Re-measurement of the Net defined benefit liability/asset net of tax effect | (1.53)          | (0.13)          | -               |
| Less: Profit distributed  | (881.87)        | (85.87)         | (65.42)         |
| Less: Restatement Adjustment  | (21.56)         | -               | -               |
| <b>Total Comprehensive Income</b>   | <b>756.31</b>   | -               | -               |

## ANNEXURE - V

### Significant Accounting Policies and explanatory Notes to Restated Financial Information

#### 1. Corporate Information:

The Company has been formed by conversion of a partnership firm i.e “Aprameya Engineering”(referred as erstwhile partnership firm), under the provisions of Chapter XXI of Companies Act, 2013. The Firm was formed and registered as a partnership firm under the provisions of Indian Partnership Act, 1932, pursuant to a deed of partnership, as amended and supplemented from time to time. The Firm was converted to a private limited company on December 28th, 2021 and subsequently converted to public limited with effect from 12th May 2022. On conversion, 70,00,000 equity shares of Rs. 10 each totaling to Rs. 700.00 lakhs were issued at par against the Fixed capital of partners outstanding as on date of conversion i.e 27.12.2021.

The company is engaged in business of Trading in Medical support equipments and also executes and supplies material for Turnkey infra projects in health care sector.

#### 2.1 Statement of compliance

The restated financial information have been prepared as a going concern in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the Companies Act, 2013 (“the Act”) read with the Companies (Indian Accounting Standards) Rules, 2015(as amended) and other relevant provisions of the Act.

The Restated financial information were authorized for issue by the Company’s Board of Directors on 24th August, 2022.

#### 2.2 Basis of preparation of financial statements:

The Restated Financial Information of the Company comprises of Restated Ind AS Statement of Assets and Liabilities as at March 31, 2022 and the related Restated Ind AS Statement of Profit and Loss (including other comprehensive income), the Restated Ind AS Cash Flow Statement, Restated Summary of Statement of Changes in Equity, and the Significant Accounting Policies and explanatory notes for the year ended March 31, 2022,the Special Purpose Ind AS Balance sheet as at March 31, 2021 and March 31, 2020;the related Special Purpose Ind AS Statement of Profit and Loss (including other comprehensive income), the Special Purpose Ind AS Statement of Cash Flows and the Special Purpose Ind AS, the Significant Accounting Policies and explanatory notes for the year ended March 31, 2021 and March 31, 2020 (hereinafter collectively referred to as the ‘Restated Financial Information’).

The above Restated Financial Information has been prepared by the Management of the Company under Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (‘the Act’) read with the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016 and other relevant provisions of the Act, to the extent applicable, in connection with the proposed listing of equity shares of the Company by way of Initial Public Offering (“IPO”), to be filed by the Company with the Securities and Exchange Board of India, Registrar of Companies, Gujarat and the concerned Stock Exchange in accordance with the requirements of:

- i. Section 26 of Part I of Chapter III of the Companies Act, 2013 (“the Act”);
- ii. relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, issued by the Securities and Exchange Board of India (‘SEBI’), as amended, in pursuance of the Securities and Exchange Board of India Act, 1992; and
- iii. Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (‘ICAI’).

In preparing this Restated Financials Information, the Company has considered April 1, 2019 as the date of transition and the Company has opted to voluntarily present the Restated Financial Information for the period ended March 31, 2020 and 2021. Accordingly, suitable restatement adjustments (both re-measurements and re-classifications) in the accounting heads are made to the financial statements, following accounting policies and accounting policy choices (both mandatory and optional exemptions) consistent with that used at the date of transition to Ind AS. The basis of preparation for specific items where exemptions have been applied is mentioned in Note on 43 to the Restated Financial Information.

The Restated Financial Statements has been compiled:

- a) from the audited First Ind AS financial statements of the Company as at March, 31st 2022 which were prepared in accordance with Indian Accounting Standard as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India and revised presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable.
- b) The financial statements of the erstwhile partnership firm for the period upto December 27, 2021 and for the financial years ended March 31, 2021 and March 31, 2020 have been revised by the Company to conform to the format prescribed for companies under the Companies Act, 2013 in accordance with Ind AS notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015(as amended) and adequate disclosures are made in the Special Purpose Ind AS Financial Statements required to be made by the company as per schedule III of the Companies Act, 2013; (collectively referred to as “the Special Purpose Ind AS Financial Statements”).
- c) The statutory auditors of the Company, CNK and Associates LLP, Chartered Accountants, have audited these Special Purpose Ind AS Financial Statements for the period upto December 27, 2021 and financial years ended March 31, 2021 and March 31, 2020 and have certified that :
  - a. the accounts and the disclosures made in Special Purpose Ind AS Financial Statements are in accordance with the provisions of schedule III of the Companies Act, 2013;
  - b. the company has followed Ind AS notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015(as amended) in the Special Purpose Ind AS Financial Statements
  - c. the Special Purpose Ind AS Financial Statements presents a true and fair view of the firm’s accounts;

d) In the Restated Financial Information:

- Following adjustment are made to adhere to requirements of Sec 26 of Part I of Chapter III of Companies Act,2013 along with SEBI ICDR Regulation and Guidance Note on Report of Company Prospectus (Revised 2019) issued by ICAI.

Accounts head appearing in erstwhile firm Accounts head appearing in Restated Financial Statement:-

1. Partner's Capital Account - Included in Share Capital
2. Remuneration to Partners - Director's Remuneration
3. Interest to Partners - Finance Cost

-There were no changes in accounting policies during the years of these Special purpose Ind AS financial statements;  
 - Material amounts relating to adjustments for previous years in arriving at profit / loss of the years to which they relate, have been appropriately adjusted;  
 - Adjustments were made for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the financial statements of the Company as at and for the year ended March 31, 2022 prepared under Ind AS and the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “ICDR Regulations”);  
 - The resultant tax impact on above adjustments has been appropriately adjusted in deferred taxes in the respective years to which they relate.

- e) The Restated Financial Information are presented in Indian Rupees. All references to previous GAAP in the Restated Financial Statements refer to accounting principles applicable to a partnership firm as per the Income Tax Act, 1961 (“Previous GAAP”). Further, previous years’ figures have been reclassified /regrouped wherever necessary.

**2.3 Functional and presentation currency:**

These financial statements are presented in Indian Rupees, which is the Company’s functional currency.

**2.4 Significant Accounting Policies**

**A. Key Accounting Estimates, Assumptions and Management Judgments:**

In preparing the financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Any revision to such estimates is recognized in the period in which the same is determined.

Estimates and assumptions are reviewed on an ongoing basis. Any change in these estimates and assumptions will generally be reflected in the financial statements in current period or prospectively, unless they are required to be treated retrospectively under relevant accounting standard.

#### **B. Current and Non-Current classification:**

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle, and other criteria set out in Schedule III of the Companies Act, 2013. Based on the nature of products and the time lag between the acquisition of assets for processing and their realisation in cash and cash equivalents, 12 month period has been considered by the Company as its normal operating cycle.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent, unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when it is:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

#### **C. Property, Plant and Equipment**

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property plant and equipment recognized as at April 1, 2019 and the same is considered as a deemed cost of PPE.

For the purpose of Restated Financial Information for the financial years ended March 31 2022, 2021 and 2020 , the Company has provided depreciation based on the estimated useful life of respective years and as the change in estimated useful life is considered as change in estimate, accordingly there is no impact of this roll back.

#### **Recognition and measurement**

Property, plant and equipment are recorded at cost of acquisition/construction less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for, as separate items (major components) of property, plant and equipment.

Borrowing costs directly attributable to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

Spare parts are treated as capital assets when they meet the definition of property, plant and equipment. Otherwise, such items are classified as inventory.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for, as separate items (major components) of property, plant and equipment. Any gains or losses on their disposal, determined by comparing sales proceeds with carrying amount, are recognised in the Statement of Profit or Loss.

### **Subsequent Expenditure**

Subsequent expenditure on major maintenance or repairs includes the cost of the replacement of parts of assets and overhaul costs. Where an asset or part of an asset is replaced and it is probable that future economic benefits associated with the item will be available to the Company, the expenditure is capitalized and the carrying amount of the item replaced is derecognized. Similarly, overhaul cost associated with major maintenance are capitalized and depreciated over their useful lives where it is probable that future economic benefits will be available and any remaining carrying amount of the cost of previous overhauls are derecognized. All other costs are expensed as incurred.

### **De-Recognition**

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of that asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and loss.

The residual values, useful lives and methods of depreciation of PPE are reviewed at each financial year end and changes if any are accounted in line with revisions to accounting estimates.

### **Depreciation**

Depreciation on PPE is provided as per straight line method (SLM) as per the useful life prescribed in Schedule II of the Companies Act, 2013.

Under this method, the estimated useful lives, as specified in Schedule II of the Companies Act, 2013 are as follows

| <b>Category of Property, Plant and Equipment</b> | <b>Useful life in Years</b> |
|--|-----------------------------|
| Lease Hold Land                                  | 99                          |
| Office Equipment's                               | 5                           |
| Furniture and Fixtures                           | 10                          |
| Computers Equipment's                            | 3                           |
| Vehicles   | 8                           |

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each reporting date and adjusted prospectively, if appropriate.

### **Capital Work in Progress**

Plant and properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees and borrowing costs (for qualifying asset) capitalized in accordance with the Company's accounting policies. Such plant and Properties are classified and capitalized to the appropriate categories of Property, Plant and Equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date are classified as capital advances under "Other Non-Current Assets" and the cost of assets not put to use before such date is disclosed under 'Capital work-in-progress

### **Intangible Assets**

Intangible assets are recognized only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably. Intangible Assets are stated at cost of acquisition less accumulated amortization and accumulated impairment, if any.

### **Amortization**

Any expenditure capitalized is amortized on a straight-line basis over the period over which the benefit is derived by the company.

#### **De - recognition of Intangible Assets**

Intangible asset is de-recognized on disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in the Statement of Profit and Loss when the asset is derecognized.

#### **D. Impairment of Non-financial asset:**

Non-financial assets other than inventories and deferred tax assets are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. The recoverable amount is higher of the Assets or Cash-Generating Units (CGU's) (i) fair value less costs of disposal and (ii) its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using an appropriate discounting rate. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. In such cases, the Recoverable amount is determined for the Cash Generating Unit (CGU) to which the assets belong.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

#### **Reversal of Impairment of assets**

Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Restated Statement of Profit and Loss under the head 'Other expenses'.

#### **E. Impairment of financial asset:**

The Group recognises loss allowances for expected credit losses on financial assets measured at amortised cost. At each reporting date, the Group assesses whether financial assets carried at amortised cost credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

Significant financial difficulty of the borrower or issuer;

- A breach of contract such as a default or being significantly past due;
- The restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise; or
- It is probable that the borrower will enter bankruptcy or other financial reorganization.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables. Under the simplified approach, the Company is not required to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime Expected credit losses ('ECL") together with appropriate Management's estimate of credit loss at each reporting date, from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the group of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

#### **Measurement of expected credit losses**

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfall (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

#### **Presentation of allowance for expected credit losses in the balance sheet**

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

#### **Write off**

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

#### **F. Non-Current Assets held for sale:**

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and sale is considered highly probable.

A sale is considered as highly probable when decision has been made to sell, assets are available for immediate sale in its present condition, assets are being actively marketed and sale has been agreed or is expected to be concluded within 12 months of the date of classification.

Assets held for sale are measured at the lower of carrying amount or fair value less costs to sell.

#### **G. Investment properties**

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16 requirements for cost model. Free hold Land and Properties under construction are not depreciated.

#### **Depreciation**

Based on technical evaluation, the Management believes a period of 26 years as representing the best estimate of the period over which investment properties (which are quite similar) are expected to be used. Accordingly, the Company depreciates investment properties over this period on a straight-line basis. This is near to the indicative useful life of relevant type of assets mentioned in Schedule II to the Companies Act 2013.

Any gain or loss on disposal of an investment property is recognised in statement of profit and loss.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property

(calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss in the period in which the property is derecognized.

#### **H. Inventories:**

Inventories are stated at the lower of cost and net realisable value. Cost is ascertained on a weighted average basis. Costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value is the price at which the inventories can be realised in the normal course of business after allowing for the cost of conversion from their existing state to a finished condition and for the cost of marketing, selling and distribution. The comparison of cost and net realizable value is made on and item by item basis.

The net realizable value of work-in-progress is determined with reference to the net realizable value of related finished goods. Raw materials and other supplies held for

use in production of inventories are not written down below cost except in cases where material prices have declined, and it is estimated that the cost of the finished products will exceed their net realizable value. Fixed production overheads are allocated on the basis of normal capacity of production facilities. Provisions are made to cover slow-moving and obsolete items based on historical experience of utilisation on a product category basis, which involves individual businesses considering their product lines and market conditions.

## **I. Leases**

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

### **As a lessee**

#### **(A) Lease Liability**

At the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using incremental borrowing rate.

#### **(B) Right-of-use assets**

Initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives.

### **Subsequent measurement**

#### **(A) Lease Liability**

Company measure the lease liability by (a) increasing the carrying amount to reflect interest on the lease liability; (b) reducing the carrying amount to reflect the lease payments made; and (c) remeasuring the carrying amount to reflect any reassessment or lease modifications.

#### **(B) Right-of-use assets**

Subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the under lying asset.

### **Impairment**

Right of use assets are evaluated for recoverability whenever events or Changes in circumstances indicate that their carrying amounts may not be recoverable. For the

purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the Recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

### **Short term lease:**

Short term lease is that, at the commencement date, has a lease term of 12 months or less. A lease that contains a purchase option is not a short-term lease. If the company elected to apply short term lease, the lessee shall recognise the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis. The lessee shall apply another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

## **J. Fair Value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or

In the absence of a principal market, in the most advantageous market which can be accessed by the Company for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the Restated Financial Information are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the Restated Financial Information on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

#### **K. Financial instruments:**

Financial instruments are recognized when the Company becomes a party to the contractual provisions of the instrument.

##### **i. Financial Assets:**

###### **a) Initial recognition and measurement**

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date i.e, the date that the Company commits to purchase or sell the asset.

###### **b) Subsequent measurement**

For the purpose of subsequent measurement, financial assets are classified in three categories:

###### **c) Amortized Cost:**

A financial asset is subsequently measured at amortized cost if it is held within a business model with the objective of collecting the contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

Financial assets at amortized cost includes loans receivable, trade and other receivable and other financial assets that are held with the object of collecting contractual cash flows. After initial measurement at fair value, the financial assets are measured at amortized cost using the effective interest rate (EIR) method less impairment.

###### **d) Fair Value through Other Comprehensive Income:**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within the business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Movements in the carrying amount are taken through other comprehensive income, except for recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in the Statement of Profit and Loss.

**e) Fair Value through Profit or Loss:**

Financial assets, which are not classified in any of the above categories, are subsequently fair valued through profit or loss.

**f) De-recognition**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

**g) Impairment**

The Company recognizes loss allowance using the expected credit loss (ECL) model for the financial assets, which are not fair valued through profit or loss/OCI. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. Trade receivables are of short duration, normally less than twelve months and hence the loss allowance measured as lifetime ECL does not differ from that measured as twelve months ECL. For all other financial assets, expected credit losses are measured at an amount equal to the twelve months ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

**ii. Financial Liabilities:**

**a) Initial recognition and measurement**

The financial liabilities are classified at initial recognition as at fair value through profit or loss or as those measured at amortized cost. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

**b) Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

**c) Financial Liabilities at Fair Value through Profit or Loss (FVTPL)**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to profit or loss. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Restated Statement of Profit or Loss.

**d) Financial Liabilities at amortised cost**

Financial liabilities classified and measured at amortised cost such as loans and borrowings are initially recognized at fair value, net of transaction cost incurred. After initial recognition, financial liabilities are subsequently measured at amortised cost using the Effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Restated Statement of Profit and Loss.

**e) Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Restated Statement of Profit or Loss.

#### **L. Derivative financial instruments**

The Company uses derivative financial instruments to manage exposure on account of fluctuation in interest rate and foreign exchange rates on amounts payable and receivable in foreign exchange. Such derivative financial instruments are not recognized in the financial statements. However, the difference between the rate at the end of the year to which the Restated Financial Information relate to and the rate at the time of maturity of the contract is recognized in Restated Statement of Profit and Loss.

Any gains or losses arising from changes in the fair value of derivatives are taken through Restated Statement of Profit and Loss.

#### **M. Offsetting of financial instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company, or the counterparty.

#### **N. Cash and Cash equivalents:**

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

#### **Cash Flow Statement:**

Cash flow are reported using indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals of accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and finance activities of the Company are segregated.

#### **O. Foreign Currencies:**

##### **Initial Recognition**

The financial statements are presented in Indian Rupees which is the Company's functional and presentation currency.

##### **Conversion**

Transactions in foreign currencies are initially recorded at the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into functional currency at the rates prevailing on the reporting date.

Foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other gains/(losses).

#### **P. Revenue Recognition:**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue from the sale of goods is recognized at the point in time when control of the asset is transferred to the customer, generally on the delivery of the goods.

On the basis of the contractual terms with customers for projects, Revenue from project is recognised at a point in time or over time, based on satisfaction of performance obligation/s upon transfer of control of promised products or services to customers.

Revenue is recognisable to the extent of the amount that reflects the consideration (i.e. the transaction price) to which the Company is expected to be entitled in exchange for those goods or services excluding any amount received on behalf of third party (such as indirect taxes). The transaction price is determined on the basis of agreement or letter of allotment entered into with the customer.

The Company satisfies the performance obligation and recognises revenue over time, if one of the criteria prescribed under Ind AS 115 - "Revenue from Contracts with Customers" is satisfied. If a performance obligation is not satisfied over time, then revenue is recognised at a point in time at which the performance obligation is satisfied.

The Company recognises revenue for performance obligation satisfied over time only if it can reasonably measure its progress towards complete satisfaction of the performance obligation. The Company would not be able to reasonably measure its progress towards complete satisfaction of a performance obligation if it lacks reliable information that would be required to apply an appropriate method of measuring progress. In those circumstances, the Company recognises revenue only to the extent of cost incurred until it can reasonably measure outcome of the performance obligation.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing component and consideration payable to the customer like return and trade discounts.

This includes bonus, incentives, discounts etc. It is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved. It is reassessed at end of each reporting period.

Revenue from operations includes revenue earned on account of job work income which is accounted as per the terms agreed with the customers.

These are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the goods or services added to the existing contract are distinct and whether the pricing is at the standalone selling price. Goods or services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if additional goods or services are priced at the standalone selling price, or as a termination of existing contract and creation of a new contract if not priced at the standalone selling price.

Revenue from sale of scrap is recognized as and when scrap is sold.

## **Q. Other Income:**

### **Interest Income**

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on time basis and is included in other income in the Statement of Profit and Loss.

### **Insurance Claims**

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

### **Commission Income**

Income on account of commission is accounted on accrual basis based on the Terms of Agreement.

### **Rental income**

Rental income arising from operating leases or on investment properties is accounted for on a straight-line basis over the lease terms and is included in other non-operating income in the Statement of Profit and Loss.

### **Dividend income**

Revenue is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

### **Other Income**

Other income is accounted for on accrual basis except where the receipt of income is uncertain in which case it is accounted for on receipt basis.

### **R. Employee Benefits:**

#### **Short term employee benefits**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the services. These benefits include compensated absences such as paid annual leave, and performance incentives.

#### **Defined Contribution plan**

Contribution to defined contribution scheme such as Provident fund are charged as an expense based on the amount of contribution expected to be made as and when services are rendered by the employees. The company does not have any further defined obligations beyond the monthly contributions.

#### **Defined Benefit plan:**

Provision for gratuity for the staff is made on the basis of actuarial valuation and is charged to the Restated Statement of Profit and Loss

For defined benefit schemes, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in full in Other Comprehensive Income, for the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested, and is otherwise amortised on a straight line basis over the average period until the benefits become vested.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation and is adjusted both for unrecognised past service cost, and for the fair value of plan assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme, if lower.

#### **Long term employee benefits**

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation determined actuarially by using Projected Unit Credit Method at the balance sheet date. The company has the policy to pay the leave encashment within Twelve months.

### **S. Borrowing Costs:**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowing Costs directly attributable to acquisition or construction of qualifying fixed assets are capitalized as part of cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

All other borrowing costs are charged to the Statement of Profit and Loss account in the year in which they are incurred.

### **T. Income taxes:**

The tax expense comprises of current income tax and deferred tax.

## **Current Income Tax**

Income tax expense comprises of current tax and deferred tax. Income tax expense is recognized in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity/OCI, in which case it is recognized in Other Comprehensive Income. Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961 using the tax rates and tax laws that have been enacted or substantively enacted on the reporting date. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

## **Deferred Tax**

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates and laws that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax assets is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

## **U. Provisions, Contingent Liabilities and Contingent Assets:**

### **Provisions:**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, 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. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

### **Contingent Liabilities:**

Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by the future events not wholly within the control of the company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

### **Contingent Assets:**

Contingent Assets are not recognised but are disclosed in the notes to the financial statements. The Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

## **V. Earnings Per Share:**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

## **W. Segment Reporting**

The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the Managing Director or the Whole Time Director in deciding how to allocate resources and in assessing performance. Operating segments are reported in consistent manner with the internal reporting provided to the Managing Director or the Whole Time Director of the Company. They are responsible for allocating resources and assessing performance of the Company.

Unallocable items include general corporate income and expense items which are not allocated to any business segment.

#### **X. Exceptional items**

On certain occasions when the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly disclosed in the notes accompanying the financial statements.

#### **Y. Dividend**

Final dividend on shares is recorded as a liability on the date of approval by the shareholders and Interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

### **2.5 Recent pronouncements**

The following standards / amendments to standards have been issued and will be effective from 1st April 2022. The Company is evaluating the requirements of these standards, improvements and amendments and has not yet determined the impact on the financial statements.

Indian Accounting Standard (Ind AS) 103 – Business Combinations – Qualifications prescribed for recognition of the identifiable assets acquired and liabilities assumed, as part of applying the acquisition method – should meet the definition of assets and liabilities in the Conceptual Framework for Financial Reporting under Ind AS (Conceptual Framework) issued by the ICAI at the acquisition date.

Modification to the exceptions to recognition principle relating to contingent liabilities and contingent assets acquired in a business combination at the acquisition date.

Indian Accounting Standard (Ind AS) 109 – Financial Instruments – Modification in accounting treatment of certain costs incurred on derecognition of financial liabilities

Indian Accounting Standard (Ind AS) 16 - Property, Plant and Equipment – Modification in treatment of excess of net sale proceeds of items produced over the cost of testing as part of cost of an item of property, plant, and equipment.

Indian Accounting Standard (Ind AS) 37 - Provisions, Contingent Liabilities and Contingent Assets – Modifications in application of recognition and measurement principles relating to onerous contracts.

**ANNEXURE - VI**

**NOTES TO RESTATED FINANCIAL INFORMATION**

**3. Property, Plant and Equipment**

**(₹ in Lakhs)**

| <b>Particulars</b>  | <b>Lease Hold Land</b> | <b>Furniture and Fixtures</b> | <b>Office Equipments</b> | <b>Computers Equipments</b> | <b>Vehicles</b> | <b>Total</b> |
|---|------------------------|-------------------------------|--------------------------|-----------------------------|-----------------|--------------|
| <b>Opening carrying amount (Deemed Cost) as at 01.04.2019</b> | -                      | 11.55                         | 6.99                     | 0.58                        | 10.17           | 29.29        |
| Additions   | -                      | 0.36                          | 1.11                     | -                           | 35.79           | 37.26        |
| Disposals   | -                      | -                             | -                        | -                           | -               | -            |
| <b>Gross carrying amount as at 31.03.2020</b>                 | -                      | 11.92                         | 8.10                     | 0.58                        | 45.96           | 66.56        |
| Opening Accumulated depreciation                              | -                      | -                             | -                        | -                           | -               | -            |
| Depreciation charge for the year 2019-20                      | -                      | 1.13                          | 1.42                     | 0.18                        | 3.63            | 6.36         |
| On Disposals  | -                      | -                             | -                        | -                           | -               | -            |
| <b>Closing Accumulated Depreciation as at 31.03.2020</b>      | -                      | 1.13                          | 1.42                     | 0.18                        | 3.63            | 6.36         |
| <b>Net Carrying Amount as at 31.03.2020</b>                   | -                      | 10.79                         | 6.69                     | 0.39                        | 42.33           | 60.20        |
| <b>Opening carrying amount as at 01.04.2020</b>               | -                      | 11.92                         | 8.10                     | 0.58                        | 45.96           | 66.56        |
| Additions   | -                      | -                             | 2.24                     | 0.53                        | -               | 2.77         |
| Disposals   | -                      | -                             | -                        | -                           | -               | -            |
| <b>Gross carrying amount as at 31.03.2021</b>                 | -                      | 11.92                         | 10.35                    | 1.11                        | 45.96           | 69.34        |
| Opening Accumulated depreciation                              | -                      | 1.13                          | 1.42                     | 0.18                        | 3.63            | 6.36         |
| Depreciation charge for the year 2020-21                      | -                      | 1.13                          | 1.66                     | 0.24                        | 5.46            | 8.49         |
| On Disposals  | -                      | -                             | -                        | -                           | -               | -            |
| <b>Closing Accumulated Depreciation as at 31.03.2021</b>      | -                      | 2.26                          | 3.07                     | 0.42                        | 9.09            | 14.84        |
| <b>Net Carrying Amount as at 31.03.2021</b>                   | -                      | 9.66                          | 7.27                     | 0.69                        | 36.87           | 54.49        |
| <b>Opening carrying amount as at 01.04.2021</b>               | -                      | 11.92                         | 10.35                    | 1.11                        | 45.96           | 69.34        |
| Additions   | 102.13                 | -                             | 1.10                     | 2.81                        | -               | 106.04       |
| Disposals   | -                      | -                             | 0.43                     | -                           | 0.12            | 0.55         |
| <b>Gross carrying amount as at 31.03.2022</b>                 | 102.13                 | 11.92                         | 11.02                    | 3.92                        | 45.84           | 174.83       |
| Opening Accumulated depreciation                              | -                      | 2.26                          | 3.07                     | 0.42                        | 9.09            | 14.84        |
| Depreciation charge for the year 2021-22                      | 0.91                   | 1.13                          | 2.10                     | 0.57                        | 5.45            | 10.16        |
| On Disposals  | -                      | -                             | 0.22                     | -                           | 0.04            | 0.26         |
| <b>Closing Accumulated Depreciation as at 31.03.2022</b>      | 0.91                   | 3.39                          | 4.95                     | 0.99                        | 14.51           | 24.75        |

|   |               |             |             |             |              |               |
|---|---------------|-------------|-------------|-------------|--------------|---------------|
| <b>Net Carrying Amount as at 31.03.2022</b> | <b>101.22</b> | <b>8.53</b> | <b>6.07</b> | <b>2.93</b> | <b>31.33</b> | <b>150.08</b> |
|---|---------------|-------------|-------------|-------------|--------------|---------------|

**Notes:**

- The Company has adopted Previous GAAP as the deemed cost as per the exemption under Ind AS 101. Accordingly, the net carrying value for Property, Plant and Equipment as on 31st March 2019, is considered as Gross opening carrying value as on 01st April 2019.
- The Company has adopted the deemed cost model for Property, plant and Equipment as permitted under Ind AS.
- The lease hold land is in the name of erstwhile partnership firm and the vehicles used for the company's business operations are in the name of the erstwhile partnership firm and the directors of the company.

**4. Investment Property**

(₹ in Lakhs)

| <b>Particulars</b>  | <b>Office Building-1</b> | <b>Office Building-2</b> | <b>Total</b> |
|---|--------------------------|--------------------------|--------------|
| <b>Opening carrying amount (Deemed Cost) as at 01.04.2019</b> | 3.37                     | 5.40                     | 8.77         |
| Additions   | -                        | -                        | -            |
| Disposals   | -                        | -                        | -            |
| <b>Gross carrying amount as at 31.03.2020</b>                 | <b>3.37</b>              | <b>5.40</b>              | <b>8.77</b>  |
| Opening Accumulated depreciation                              | -                        | -                        | -            |
| Depreciation charge for the year 2019-20                      | 0.12                     | 0.20                     | 0.32         |
| On Disposals  | -                        | -                        | -            |
| <b>Closing Accumulated Depreciation as at 31.03.2020</b>      | <b>0.12</b>              | <b>0.20</b>              | <b>0.32</b>  |
| <b>Net Carrying Amount as at 31.03.2020</b>                   | <b>3.25</b>              | <b>5.21</b>              | <b>8.45</b>  |
| <b>Opening carrying amount as at 01.04.2020</b>               | <b>3.37</b>              | <b>5.40</b>              | <b>8.77</b>  |
| Additions   | -                        | -                        | -            |
| Disposals   | -                        | -                        | -            |
| <b>Gross carrying amount as at 31.03.2021</b>                 | <b>3.37</b>              | <b>5.40</b>              | <b>8.77</b>  |
| Opening Accumulated depreciation                              | 0.12                     | 0.20                     | 0.32         |
| Depreciation charge for the year 2020-21                      | 0.12                     | 0.20                     | 0.32         |
| On Disposals  | -                        | -                        | -            |
| <b>Closing Accumulated Depreciation as at 31.03.2021</b>      | <b>0.25</b>              | <b>0.39</b>              | <b>0.64</b>  |
| <b>Net Carrying Amount as at 31.03.2021</b>                   | <b>3.12</b>              | <b>5.01</b>              | <b>8.13</b>  |
| <b>Opening carrying amount as at 01.04.2021</b>               | <b>3.37</b>              | <b>5.40</b>              | <b>8.77</b>  |
| Additions   | -                        | -                        | -            |
| Disposals   | -                        | -                        | -            |
| <b>Gross carrying amount as at 31.03.2022</b>                 | <b>3.37</b>              | <b>5.40</b>              | <b>8.77</b>  |
| Opening Accumulated depreciation                              | 0.25                     | 0.39                     | 0.64         |
| Depreciation charge for the year 2021-22                      | 0.12                     | 0.20                     | 0.32         |
| On Disposals  | -                        | -                        | -            |
| <b>Closing Accumulated Depreciation as at 31.03.2022</b>      | <b>0.37</b>              | <b>0.59</b>              | <b>0.96</b>  |
| <b>Net Carrying Amount as at 31.03.2022</b>                   | <b>3.00</b>              | <b>4.81</b>              | <b>7.81</b>  |

**Note:**

- The Company has elected to continue with the carrying value of all its Investment Properties recognized as of the transition date measured as per the Previous GAAP and used that carrying value as its deemed cost as of the transition date. Investment property's remaining useful life is 26 years as per Ahmedabad Municipal Corporation's record.
- The fair value of investment property is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.
- The aggregate depreciation charge for the year has been included under depreciation and amortisation expense in the Restated Statement of Profit and Loss.
- The company has mortgaged above investment properties to banks against term loan, cash credit and other credit facilities availed by the company

**Information Regarding Income and Expenditure of Investment Property and its Fair Value as at**

(₹ in Lakhs)

| <b>Particulars</b> | <b>31st March 2022</b> | <b>31st March 2021</b> | <b>31st March 2020</b> |
|--------------------|------------------------|------------------------|------------------------|
| Rental Income      | 3.35                   | 3.27                   | 3.17                   |

|  |                        |                        |                        |
|--|------------------------|------------------------|------------------------|
| Less: Expense incurred to earn rental income                       | -                      | -                      | -                      |
| Profit From Investment Properties before Depreciation              | 3.35                   | 3.27                   | 3.17                   |
| Less: Depreciation   | 0.32                   | 0.32                   | 0.32                   |
| <b>Profit From Investment Properties</b>                           | <b>3.03</b>            | <b>2.95</b>            | <b>2.85</b>            |
| <b>Fair Value of Investment Property Valued by Register Valuer</b> | <b>31st March 2022</b> | <b>31st March 2021</b> | <b>31st March 2020</b> |
| Office No, 5 Sreyas Complex, Ahmedabad, Gujarat, India             | 17.10                  | 16.05                  | 15.07                  |
| Office No, 6 Sreyas Complex, Ahmedabad, Gujarat, India             | 27.42                  | 25.74                  | 24.17                  |

#### 5. Other Financial Assets - Non Current

(₹ in Lakhs)

| Particulars                                       | As at<br>31st March, 2022 | As at<br>31st March, 2021 | As at<br>31st March, 2020 |
|---|---------------------------|---------------------------|---------------------------|
| <b>Unsecured, considered good</b>                 |                           |                           |                           |
| Security Deposit                                  | 217.38                    | 86.60                     | 77.75                     |
| Other Deposits                                    | 1.41                      | 0.89                      | 1.22                      |
| Bank Deposit with More than 12 months maturity(*) | 211.64                    | 61.01                     | 49.83                     |
| <b>Total</b>                                      | <b>430.43</b>             | <b>148.50</b>             | <b>128.80</b>             |

(\*) The above deposits are given as margin money to the Banks and customers.

#### 6. Deferred Tax liabilities (Net)

(₹ in Lakhs)

| Particulars  | As at<br>31st March, 2022 | As at<br>31st March, 2021 | As at<br>31st March, 2020 |
|--|---------------------------|---------------------------|---------------------------|
| <b>Deferred Tax Liabilities</b>  |                           |                           |                           |
| Related to Property, plant and equipment   | 1.93                      | 2.66                      | (11.86)                   |
| <b>Total</b>   | <b>1.93</b>               | <b>2.66</b>               | <b>(11.86)</b>            |
| <b>Deferred tax assets</b>   |                           |                           |                           |
| Related to timing difference on account of section 43B and 35D of the Income Tax Act, 1961 | 8.06                      | 3.08                      | 2.18                      |
| On account of provision for expected credit loss   | 8.58                      | 10.77                     | 7.09                      |
| Remeasurements of defined benefit plans  | 0.52                      | 0.05                      | -                         |
| <b>Total</b>   | <b>17.16</b>              | <b>13.90</b>              | <b>9.27</b>               |
| <b>Net deferred tax liability/ (Assets)</b>  | <b>(15.23)</b>            | <b>(11.24)</b>            | <b>(21.13)</b>            |
| <b>Net deferred tax liability/(Assets) Opening Balance</b>                                 | <b>(11.24)</b>            | <b>(21.14)</b>            | <b>(4.49)</b>             |
| <b>Deferred Tax Expense/ (income) Recognised</b>   | <b>(3.99)</b>             | <b>9.90</b>               | <b>(16.64)</b>            |

#### 7. Other Non- Current Assets

(₹ in Lakhs)

| Particulars              | As at<br>31st March, 2022 | As at<br>31st March, 2021 | As at<br>31st March, 2020 |
|--------------------------|---------------------------|---------------------------|---------------------------|
| Expenses paid in advance | 4.90                      | 0.00                      | 0.00                      |
| Income tax refunds(net)  | 5.02                      | 11.45                     | 9.47                      |
| <b>Total</b>             | <b>9.92</b>               | <b>11.45</b>              | <b>9.47</b>               |

#### 8. Inventories

(₹ in Lakhs)

| Particulars  | As at<br>31st March, 2022 | As at<br>31st March, 2021 | As at<br>31st March, 2020 |
|--|---------------------------|---------------------------|---------------------------|
| <b>(At lower of cost and net realizable value)</b> |                           |                           |                           |
| Stock in Trade                                     | 627.34                    | 303.10                    | 480.42                    |
| Work-in-progress                                   | 116.52                    | 50.17                     | -                         |
| <b>Total</b>                                       | <b>743.86</b>             | <b>353.27</b>             | <b>480.42</b>             |

Notes:

(i) The above inventories are pledged as security to the Bankers against the fund based and non-fund based credit limits availed or to be availed by the company.

**9. Trade Receivables****(₹ in Lakhs)**

| Particulars  | As at<br>31st March, 2022 | As at<br>31st March,<br>2021 | As at<br>31st March,<br>2020 |
|--|---------------------------|------------------------------|------------------------------|
| Trade Receivables considered Good-secured                        | 0.00                      | 0.00                         | 0.00                         |
| Trade Receivables considered Good-Unsecured                      | 2,689.73                  | 430.26                       | 625.34                       |
| Trade Receivables which have significant increase in credit risk | 0.00                      | 0.00                         | 0.00                         |
| Trade Receivables credit impaired                                | 0.00                      | 0.00                         | 0.00                         |
| <b>Total</b>   | <b>2,689.73</b>           | <b>430.26</b>                | <b>625.34</b>                |
| Less : Loss allowance  | (21.39)                   | (18.64)                      | (14.65)                      |
|  | <b>2,668.34</b>           | <b>411.62</b>                | <b>610.69</b>                |

**Note:**

No trade receivables are due from directors or other officers of the company, either severally or jointly with any other person.

Refer note 44(E) for ageing of trade receivables.

**10. Cash and cash equivalents****(₹ in Lakhs)**

| Particulars   | As at<br>31st March, 2022 | As at<br>31st March,<br>2021 | As at<br>31st March,<br>2020 |
|---|---------------------------|------------------------------|------------------------------|
| <b>Cash in hand</b>   | 3.55                      | 0.76                         | 6.52                         |
| <b>Balances with banks</b>  | -                         | -                            | -                            |
| (i) In current accounts   | -                         | -                            | 0.12                         |
| (ii) Balances with Banks in cash Credit account (Refer Note No: 20 (i)) | 245.50                    | -                            | -                            |
| <b>Total</b>  | <b>249.05</b>             | <b>0.76</b>                  | <b>6.64</b>                  |

**11. Bank balances other than cash and cash equivalents****(₹ in Lakhs)**

| Particulars  | As at<br>31st March, 2022 | As at<br>31st March,<br>2021 | As at<br>31st March,<br>2020 |
|--|---------------------------|------------------------------|------------------------------|
| <b>Other Bank Balance</b>                                      |                           |                              |                              |
| In Deposit accounts (as margin money with Banks and Customers) | 24.87                     | 3.77                         | 13.12                        |
| <b>Total</b>   | <b>24.87</b>              | <b>3.77</b>                  | <b>13.12</b>                 |

**12. Loans****(₹ in Lakhs)**

| Particulars                       | As at<br>31st March, 2022 | As at<br>31st March,<br>2021 | As at<br>31st March,<br>2020 |
|-----------------------------------|---------------------------|------------------------------|------------------------------|
| <b>Unsecured, considered good</b> |                           |                              |                              |
| To related parties                | -                         | 1.80                         | 23.27                        |
| To Employees                      | 1.30                      | 4.51                         | 7.04                         |
| <b>Total</b>                      | <b>1.30</b>               | <b>6.31</b>                  | <b>30.31</b>                 |

**13. Other Financial assets****(₹ in Lakhs)**

| Particulars                       | As at<br>31st March, 2022 | As at<br>31st March, 2021 | As at<br>31st March, 2020 |
|-----------------------------------|---------------------------|---------------------------|---------------------------|
| <b>Unsecured, considered good</b> |                           |                           |                           |
| Advances to Others                | -                         | 0.50                      | -                         |
| Security Deposit                  | 293.77                    | 19.67                     | 23.86                     |
| Less: Loss allowance              | (12.69)                   | (12.19)                   | (8.08)                    |

|              |               |             |              |
|--------------|---------------|-------------|--------------|
| <b>Total</b> | <b>281.08</b> | <b>7.98</b> | <b>15.78</b> |
|--------------|---------------|-------------|--------------|

#### 14. Other Current Assets

(₹ in Lakhs)

| Particulars                       | As at 31st March, 2022 | As at 31st March, 2021 | As at 31st March, 2020 |
|-----------------------------------|------------------------|------------------------|------------------------|
| Expenses paid in advance          | 22.58                  | -                      | -                      |
| Advances to suppliers and others  | 83.06                  | 22.39                  | 2.26                   |
| Balances with revenue authorities | 186.60                 | 51.08                  | 11.03                  |
| <b>Total</b>                      | <b>292.24</b>          | <b>73.47</b>           | <b>13.29</b>           |

#### 15. Share capital

##### (a) Details of share capital:

(₹ in Lakhs)

| Particulars                                    | As at 31st March 2022 |                 | As at 31st March 2021 |          | As at 31 March 2020 |          |
|--|-----------------------|-----------------|-----------------------|----------|---------------------|----------|
|  | Number of shares      | (₹ in Lakhs)    | Number of shares      |          | Number of shares    |          |
| <b>Authorised</b>                              |                       |                 |                       |          |                     |          |
| Equity shares of ₹. 10 each with voting rights | 2,00,00,000           | 2,000.00        | -                     | -        | -                   | -        |
|  | <b>2,00,00,000</b>    | <b>2,000.00</b> | <b>-</b>              | <b>-</b> | <b>-</b>            | <b>-</b> |
| <b>Issued</b>                                  |                       |                 |                       |          |                     |          |
| Equity shares of ₹. 10 each with voting rights | 70,00,000             | 700.00          | -                     | -        | -                   | -        |
|  | <b>70,00,000</b>      | <b>700.00</b>   | <b>-</b>              | <b>-</b> | <b>-</b>            | <b>-</b> |
| <b>Subscribed &amp; Fully Paid up</b>          |                       |                 |                       |          |                     |          |
| Equity shares of ₹. 10 each with voting rights | 70,00,000             | 700.00          | -                     | -        | -                   | -        |
| <b>Total</b>                                   | <b>70,00,000</b>      | <b>700.00</b>   | <b>-</b>              | <b>-</b> | <b>-</b>            | <b>-</b> |

##### (b) Reconciliation of the Number of shares and amount outstanding at the beginning and at the end of the year : (₹ in Lakhs)

| Particulars  | As at 31st March 2022 |               | As at 31st March 2021 |          | As at 31 March 2020 |          |
|--|-----------------------|---------------|-----------------------|----------|---------------------|----------|
|  | Number of shares      | Amount        | Number of shares      | Amount   | Number of shares    | Amount   |
| <b>Equity Shares of ₹. 10 each</b>                         |                       |               |                       |          |                     |          |
| Opening balance of Equity shares with voting rights        | -                     | -             | -                     | -        | -                   | -        |
| Add: Issued during the year(*)                             | 70,00,000             | 700.00        | -                     | -        | -                   | -        |
| <b>Closing balance of Equity shares with voting rights</b> | <b>70,00,000</b>      | <b>700.00</b> | <b>-</b>              | <b>-</b> | <b>-</b>            | <b>-</b> |

(\*) The above equity shares are issued to partners of the erstwhile firm i.e M/s Aprameya Engineering on its conversion to private limited company. The shares were issued at par against the fixed capital of partners outstanding as on date of conversion i.e 27.12.2021.

##### (c) The rights, preferences and restrictions attaching to Equity share :

###### Equity shares with voting rights:

The company has only one class of equity shares having face value of ₹. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive any remaining assets of the company, after distribution of all preferential amounts and repayment, if any in the proportion to the number of equity shares held by the shareholders.

##### (d) Details of shares held by each shareholder holding more than 5% shares

###### Equity shares/name of equity share holders

(₹ in Lakhs)

|  | As at 31st March 2022 | As at 31st March 2021 | As at 31 March 2020 |
|--|-----------------------|-----------------------|---------------------|
|--|-----------------------|-----------------------|---------------------|

| Name of Shareholders         | Number of shares | Extent of holding | Number of shares | Extent of holding | Number of shares | Extent of holding |
|------------------------------|------------------|-------------------|------------------|-------------------|------------------|-------------------|
| Mr. Chetan Mohan Joshi       | 35,00,000        | 50%               | -                | -                 | -                | -                 |
| Mr. Saurabh Kishorbhai Bhatt | 35,00,000        | 50%               | -                | -                 | -                | -                 |

(e) Disclosure of Promoter's Shareholding.

| Equity shares/name of equity share holders |                       | (₹ in Lakhs)      |                       |                   |                     |                   |
|--|-----------------------|-------------------|-----------------------|-------------------|---------------------|-------------------|
| Name of Promoters                          | As at 31st March 2022 |                   | As at 31st March 2021 |                   | As at 31 March 2020 |                   |
|  | Number of shares      | Extent of holding | Number of shares      | Extent of holding | Number of shares    | Extent of holding |
| Mr. Chetan Mohan Joshi                     | 35,00,000             | 50%               | -                     | -                 | -                   | -                 |
| Mr. Saurabh Kishorbhai Bhatt               | 35,00,000             | 50%               | -                     | -                 | -                   | -                 |

16. Other Equity

(a) Reserves and surplus:-

(i) Partners capital Account

| Particulars   | As at             |                 |                 |
|---|-------------------|-----------------|-----------------|
|   | 31st March 2022   | 31st March 2021 | 31st March 2020 |
| <b>Movement In Partner's Capital</b>  |                   |                 |                 |
| <b>Opening Balance</b>  | <b>433.95</b>     | <b>374.21</b>   | <b>225.73</b>   |
| <b>Add:</b>   |                   |                 |                 |
| Increase / (Decrease) during the year   | -                 | (26.13)         | 83.06           |
| Share in Profit   | 881.87            | 85.87           | 65.42           |
|   | <b>881.87</b>     | <b>59.74</b>    | <b>148.48</b>   |
| <b>Less:</b>  |                   |                 |                 |
| Withdrawal during the year  |                   |                 |                 |
| Less: Fixed capital balance transferred to Equity Share Capital on conversion of partnership firm to Company as on 27.12.2021 | (700.00)          | -               | -               |
| Less: Transferred to Unsecured Loan from Directors/partners on conversion of partnership firm to Company as on 27.12.2021     | (615.82)          | -               | -               |
|   | <b>(1,315.82)</b> | <b>-</b>        | <b>-</b>        |
| <b>Closing Balance</b>  | <b>-</b>          | <b>433.95</b>   | <b>374.21</b>   |

(ii) Retained earnings:

| Particulars   | As at           |                 |                 |
|---|-----------------|-----------------|-----------------|
|   | 31st March 2022 | 31st March 2021 | 31st March 2020 |
| Opening balance   | -               | -               | -               |
| Add: Net profit for the year as per Statement of Profit and Loss                      | 1,661.29        | 86.00           | 65.43           |
| Add/(less): Remeasurement of the Net defined benefit liability/assetnet of tax effect | (1.53)          | (0.13)          | -               |
| Less: Profit distributed to partners  | (881.88)        | (85.87)         | (65.43)         |
| Less: Profit related to restated adjustments  | (21.56)         | -               | -               |
|   |                 |                 |                 |
| <b>Closing Balance</b>  | <b>756.31</b>   | <b>-</b>        | <b>-</b>        |
| <b>Total</b>  | <b>756.31</b>   | <b>-</b>        | <b>-</b>        |

**17. Borrowings****(₹ in Lakhs)**

| Particulars  | As at<br>31st March, 2022 | As at<br>31st March, 2021 | As at<br>31st March, 2020 |
|--|---------------------------|---------------------------|---------------------------|
| <b>a. Term loans</b>   |                           |                           |                           |
| <b>Secured- at amortised cost</b>                                |                           |                           |                           |
| From Banks (Note: A)   | 54.00                     | 72.00                     | -                         |
| Less: Current Maturities of long term debts ( Refer Note No. 20) | 24.00                     | 18.00                     | -                         |
|  | 30.00                     | 54.00                     | -                         |
| From Others (Note: B)  | 68.51                     | -                         | -                         |
|  | 68.51                     | -                         | -                         |
|  | <b>98.51</b>              | <b>54.00</b>              | -                         |
| <b>b. Other Loan</b>   |                           |                           |                           |
| <b>Unsecured-at amortised cost</b>                               |                           |                           |                           |
| From Directors (Note: C)   | 1,200.00                  | -                         | -                         |
|  | <b>1200.00</b>            | -                         | -                         |
| From Others (Note: D)  | 33.40                     | -                         | -                         |
|  | <b>33.40</b>              | -                         | -                         |
| <b>Total</b>   | <b>1,331.91</b>           | <b>54.00</b>              | -                         |

**Note No. (A) Details of security and terms of repayment:****(I) Nature of Security**

(a) The GECL- Working capital term loan of ₹. 72.00 Lakhs from Punjab National Bank (" The PNB") are secured by offering following primary and collateral securities.

## a. Primary Security-

- hypothecation of entire current assets ( Present as well as Future) of the company including stock and Book debts and personal guarantee of directors and their relative members and corporate guarantee of Aprameya Engineering (I) Pvt Ltd. and

## b. Collateral Security-

-extension of mortgage on Two Investment properties, Residential and Commercial properties of Directors jointly held with relative members, and Commercial properties of Aprameya Engineering (I) Pvt Ltd. The company has also been given Guarantee Coverage from NCGTC for above loan.

| Mortgage of Property as a collateral security to the Bank  | Property Owned By                           | Type of Property     |
|--|---|----------------------|
| Office No, 5 Shreyas Complex, Ahmedabad, Gujarat, India  | M/s Aprameya Engineering (Partnership Firm) | Investment Property  |
| Office No, 6 Shreyas Complex, Ahmedabad, Gujarat, India  |   |                      |
| Office No, 4 Shreyas Complex, Ahmedabad, Gujarat, India  | M/s Aprameya Engineering (India) Pvt Ltd    | Commercial Property  |
| Shop No. 216 Gala Empire, Opp Doordarshan Road, Drive in Road, Ahmedabad, Gujarat, India                   | Mr. Chetan Mohan Joshi &                    | Commercial Property  |
| Flat No. A-1/202, 2nd floor, Green Acres, Nr. Auda Lake Prahlanagar, Ahmedabad, Gujarat, India             | Mrs. Archana Chetan Joshi                   | Residential Property |
| Shop No. 215 Gala Empire, Opp Doordarshan Road, Drive in Road, Ahmedabad, Gujarat, India                   | Mr. Saurabh Kishorbhai Bhatt &              | Commercial Property  |
| Flat No. A-3/502, 5 <sup>th</sup> floor, Green Acres, Nr. Auda Lake Prahlanagar, Ahmedabad, Gujarat, India | Mrs. Pooja Saurabh Bhatt                    | Residential Property |
| Office No, 908, 9th Floor, Venus Atlantis, 100 Ft Road, Nr, Auda Garden, Satelite, Ahmedabad               | Mr. Saurabh Kishorbhai Bhatt &              | Commercial Property  |
| Office No, 712, 7th Floor, Venus Atlantis, 100 Ft Road, Nr, Auda Garden, Satelite, Ahmedabad               | Mr. Chetan Mohan Joshi                      |                      |

**(II) Terms of Repayment**

The above term loan is repayable in 48 months (including moratorium period of 12months) by way of monthly instalments of ₹. 2.00 Lakhs starting from July, 2021. Interest is payable at 7.65% p.a. (i.e. RLLR (6.65%) +1.00%). The interest is payable as and when due during the moratorium period and thereafter.

**Note No. (B) Details of terms of repayment:**

The company has acquired Land on Lease from Sanand GIDC. The GIDC has allowed the company to pay premium of ₹.68.51 Lakhs after the moratorium period of 2 years in 32 Quarterly instalment of ₹. 2.14 Lakhs with interest payable at the rate of 10% p. a starting from 30-06-2023. Interest is payable in moratorium period as and when due on monthly basis.

**Note No. (C) Details of terms of repayment:**

The above loan from directors are repayable after the period of Two years. Interest is payable at 12% p.a. from next year.

**Note No. (D) Details of terms of repayment:**

The above term loan is repayable in 84 months (including moratorium period of 36 months) by way of monthly instalments of ₹. 0. 96 Lakhs (including interest) starting from June, 2024. Interest is payable at 16.25% p.a. The interest is payable as and when due during the moratorium period.

**Maturity Profile of above term loans:**

(₹ in Lakhs)

| Particulars                  | As at<br>31st March, 2022 | As at<br>31st March,<br>2021 | As at<br>31st March,<br>2020 |
|------------------------------|---------------------------|------------------------------|------------------------------|
| <b>Secured Loan</b>          |                           |                              |                              |
| After 1 to 5 years           | 64.26                     | 54.00                        | -                            |
| After 5 to 10 years          | 34.26                     | -                            | -                            |
| <b>Unsecured Loan Others</b> |                           |                              |                              |
| After 1 to 5 years           | 1,121.64                  | -                            | -                            |
| After 5 to 10 years          | 11.76                     | -                            | -                            |

**18. Provisions**

(₹ in Lakhs)

| Particulars  | As at<br>31st March, 2022 | As at<br>31st March,<br>2021 | As at<br>31st March,<br>2020 |
|--|---------------------------|------------------------------|------------------------------|
| <b>Provision for employee benefits</b>             |                           |                              |                              |
| Provision for Gratuity (Net )(Refer note No.: 37 ) | 12.65                     | 8.58                         | 6.68                         |
| <b>Total</b>                                       | <b>12.65</b>              | <b>8.58</b>                  | <b>6.68</b>                  |

**19. Other Non-Current Liabilities**

(₹ in Lakhs)

| Particulars                | As at<br>31st March, 2022 | As at<br>31st March,<br>2021 | As at<br>31st March,<br>2020 |
|----------------------------|---------------------------|------------------------------|------------------------------|
| Income received in advance | 4.54                      | -                            | -                            |
| <b>Total</b>               | <b>4.54</b>               | <b>-</b>                     | <b>-</b>                     |

**20. Borrowing - Financial Liabilities**

(₹ in Lakhs)

| Particulars   | As at<br>31st March, 2022 | As at<br>31st March,<br>2021 | As at<br>31st March,<br>2020 |
|---|---------------------------|------------------------------|------------------------------|
| <b>(a) Secured</b>  |                           |                              |                              |
| From banks  |                           |                              |                              |
| Cash credit facilities (Refer note below)                           | -                         | 76.27                        | 397.22                       |
| Current maturities of long-term debt (Refer note no 17 (a) Note: A) | 24.00                     | 18.00                        | -                            |
| <b>(b) Unsecured</b>  |                           |                              |                              |
| From Directors (refer note no 17 (b) Note: C)                       | 12.37                     | -                            | -                            |
| From others (refer note 20(iii))                                    | -                         | -                            | 5.99                         |
| <b>Total</b>  | <b>36.37</b>              | <b>94.27</b>                 | <b>403.21</b>                |

**Note 20:****(i) Cash credit and other working capital facilities**

(a) The Bank facilities of Working Capital being Cash Credit limit of ₹. 600.00 lakhs and other Facilities obtained from the bank are primarily secured by first pari passu charge by Hypothecation of entire stocks and book debts and all other present and future Current Assets of the company.

(b) The interest rate for the above facility is 7.50% p.a.

(c) The above facilities are further collaterally secured by first pari passu charge by creating equitable mortgage on Two Investment properties of the companies, Residential and Commercial properties of directors jointly held with relative members, and Commercial properties of Aprameya Engineering (I) Pvt Ltd and personal guarantee of directors and their relatives and corporate guarantee of Aprameya Engineering (I) Pvt Ltd.

**(ii) Current maturities of Long term debts**

Current maturities of long-term debt (Refer Notes ( i and ii ) in Note 17 - Long-term borrowings for details of security and guarantee.

**(iii) Unsecured loan from Others**

Interest free loan repayable on demand.

**21. Trade payables****(₹ in Lakhs)**

| Particulars   | As at<br>31st March, 2022 | As at<br>31st March,<br>2021 | As at<br>31st March,<br>2020 |
|---|---------------------------|------------------------------|------------------------------|
| Trade payables  |                           |                              |                              |
| - Total outstanding dues of Micro and small enterprises   | 54.05                     | 30.71                        | 41.39                        |
| - Total outstanding dues of Trade payables other than Micro and small enterprises(Refer note no.44 (D)) | 1,745.32                  | 393.84                       | 484.13                       |
| <b>Total</b>  | <b>1,799.37</b>           | <b>424.55</b>                | <b>525.52</b>                |

**Disclosure related to Micro, Small and Medium Enterprises:**

On the basis of confirmation obtained from the supplier who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) and based on the information available with the company, the following are the details:

**(₹ in Lakhs)**

| Particulars  | As at<br>31st March, 2022 | As at<br>31st March,<br>2021 | As at<br>31st March,<br>2020 |
|--|---------------------------|------------------------------|------------------------------|
| The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;   |                           |                              |                              |
| i) Principle Amount  | 54.05                     | 30.71                        | 41.39                        |
| ii) Interest Due thereon   | -                         | -                            | -                            |
| The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;     | -                         | -                            | -                            |
| The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006; | -                         | -                            | -                            |
| The amount of interest accrued and remaining unpaid at the end of each accounting year; and  | -                         | -                            | -                            |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure                         | -                         | -                            | -                            |

|  |  |  |  |
|--|--|--|--|
| under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. |  |  |  |
|--|--|--|--|

## 22. Other Financial Liabilities

(₹ in Lakhs)

| Particulars                    | As at<br>31st March, 2022 | As at<br>31st March,<br>2021 | As at<br>31st March,<br>2020 |
|--------------------------------|---------------------------|------------------------------|------------------------------|
| Interest accrued on borrowings | 2.49                      | 0.43                         | -                            |
| Payable for expenses           | 10.78                     | 2.24                         | 1.06                         |
| Security Deposits payable      | 0.44                      | 0.64                         | 0.64                         |
| <b>Total</b>                   | <b>13.71</b>              | <b>3.31</b>                  | <b>1.70</b>                  |

## 23. Other current liabilities

(₹ in Lakhs)

| Particulars                | As at<br>31st March, 2022 | As at<br>31st March,<br>2021 | As at<br>31st March,<br>2020 |
|----------------------------|---------------------------|------------------------------|------------------------------|
| Statutory dues             | 50.47                     | 21.35                        | 4.07                         |
| Advance from customers     | 10.80                     | 29.89                        | 62.00                        |
| Salary and wages payables  | 50.08                     | 20.73                        | 20.61                        |
| Income received in advance | 2.95                      | -                            | -                            |
| <b>Total</b>               | <b>114.30</b>             | <b>71.97</b>                 | <b>86.68</b>                 |

## 24. Provisions

(₹ in Lakhs)

| Particulars                                | As at<br>31st March, 2022 | As at<br>31st March,<br>2021 | As at<br>31st March,<br>2020 |
|--|---------------------------|------------------------------|------------------------------|
| (a) Provision for employee benefits:       |                           |                              |                              |
| Provision for bonus                        | 12.67                     | -                            | -                            |
| Provision for gratuity (Refer note No. 37) | 0.60                      | 0.36                         | 0.30                         |
| <b>Total</b>                               | <b>13.27</b>              | <b>0.36</b>                  | <b>0.30</b>                  |

## 25. Revenue from operations

(₹ in Lakhs)

| Particulars                      | For the year<br>ended<br>31st March,<br>2022 | For the year<br>ended<br>31st March,<br>2021 | For the year<br>ended<br>31st March,<br>2020 |
|----------------------------------|--|--|--|
| (a) Sale of Products             |  |  |  |
| -Traded goods                    | 8,383.50                                     | 1,168.83                                     | 986.35                                       |
| -Turnkey project supplies        | 11,505.29                                    | 1,164.94                                     | -  |
|                                  | <b>19,888.79</b>                             | <b>2,333.77</b>                              | <b>986.35</b>                                |
| (b) Sale of services comprises : |  |  |  |
| -Business Support Services       | 87.36  | 244.50                                       | 225.99                                       |
| -Maintenance services            | 23.31  | 14.90  | 10.90  |
|                                  | <b>110.67</b>                                | <b>259.40</b>                                | <b>236.89</b>                                |
| <b>Total</b>                     | <b>19,999.46</b>                             | <b>2,593.17</b>                              | <b>1,223.24</b>                              |

## 26. Other income

(₹ in Lakhs)

| Particulars                               | For the year<br>ended<br>31st March,<br>2022 | For the year<br>ended<br>31st March,<br>2021 | For the year<br>ended<br>31st March,<br>2020 |
|---|--|--|--|
| (a) Rent Income                           | 3.35   | 3.27   | 3.17   |
| (b) Interest income (Refer note no. 26.1) | 9.17   | 4.53   | 2.69   |
| (c) Misc. balances written back(net)      | 14.11  | 0.27   | 3.41   |

|              |                          |              |             |             |
|--------------|--------------------------|--------------|-------------|-------------|
| (d)          | Profit on Sale of Assets | 0.11         | 0.00        | 0.00        |
| <b>Total</b> |                          | <b>26.74</b> | <b>8.07</b> | <b>9.27</b> |

**Note no: 26.1**

(₹ in Lakhs)

|                                | Particulars                   | For the year ended<br>31st March, 2022 | For the year ended<br>31st March, 2021 | For the year ended<br>31st March, 2020 |
|--------------------------------|-------------------------------|--|--|--|
| (i)                            | Interest income comprises:    |  |  |  |
|                                | On Bank deposits              | 8.74                                   | 3.90                                   | 2.69                                   |
|                                | Interest on Income Tax Refund | 0.43                                   | 0.63                                   | -                                      |
| <b>Total - Interest income</b> |                               | <b>9.17</b>                            | <b>4.53</b>                            | <b>2.69</b>                            |

**27. Purchase of Stock in Trade**

(₹ in Lakhs)

| Particulars                | For the year ended<br>31st March,<br>2022 | For the year ended<br>31st March,<br>2021 | For the year ended<br>31st March,<br>2020 |
|----------------------------|---|---|---|
| Purchase of Stock in Trade | 6,805.34                                  | 930.21                                    | 886.79                                    |
| <b>Total</b>               | <b>6,805.34</b>                           | <b>930.21</b>                             | <b>886.79</b>                             |

**28. Turnkey project expenses**

(₹ in Lakhs)

| Particulars             | For the year ended<br>31st March, 2022 | For the year ended<br>31st March, 2021 | For the year ended<br>31st March, 2020 |
|-------------------------|--|--|--|
| Project supplies        | 8,152.81                               | 817.92                                 | -                                      |
| Project direct expenses | 838.96                                 | 13.00                                  | -                                      |
| <b>Total</b>            | <b>8,991.77</b>                        | <b>830.92</b>                          | <b>-</b>                               |

**29. Changes in inventories of stock-in-trade and Work in Process**

(₹ in Lakhs)

| Particulars                                      | For the year ended<br>31st March,<br>2022 | For the year ended<br>31st March,<br>2021 | For the year ended<br>31st March,<br>2020 |
|--|---|---|---|
| <u>Inventories at the beginning of the year:</u> |   |   |   |
| Stock in Trade                                   | 303.10                                    | 480.42                                    | 307.29                                    |
| Work-in-process                                  | 50.17                                     | -   | -   |
|  | <b>353.27</b>                             | <b>480.42</b>                             | <b>307.29</b>                             |
| <u>Inventories at the end of the year:</u>       |   |   |   |
| Stock in Trade                                   | 627.34                                    | 303.10                                    | 480.42                                    |
| Work-in-process                                  | 116.52                                    | 50.17                                     | -   |
|  | <b>743.86</b>                             | <b>353.27</b>                             | <b>480.42</b>                             |
| <b>Net (increase) / decrease in inventory</b>    | <b>(390.59)</b>                           | <b>127.15</b>                             | <b>(173.13)</b>                           |

**30. Employee benefits expense**

(₹ in Lakhs)

| Particulars                        | For the year ended<br>31st March, 2022 | For the year ended<br>31st March, 2021 | For the year ended<br>31st March, 2020 |
|------------------------------------|--|--|--|
| Salaries, wages and other expenses | 286.28                                 | 181.65                                 | 168.06                                 |
| Contributions to statutory funds   | 0.55                                   | 0.00                                   | -                                      |
| Staff welfare expenses             | 23.74                                  | 8.86                                   | 10.72                                  |
| <b>Total</b>                       | <b>310.57</b>                          | <b>190.51</b>                          | <b>178.78</b>                          |

**31. Finance costs**

(₹ in Lakhs)

| Particulars                                   | For the year ended |                  |                  |
|---|--------------------|------------------|------------------|
|   | 31st March, 2022   | 31st March, 2021 | 31st March, 2020 |
| (a) Interest cost on:                         |                    |                  |                  |
| (i) Bank and financial institution borrowings | 43.53              | 31.36            | 36.47            |
| (ii) Other borrowings                         | 36.81              | 42.83            | 39.28            |
| (b) Others Borrowing Cost                     | 11.41              | 12.38            | 14.71            |
| <b>Total</b>                                  | <b>91.75</b>       | <b>86.57</b>     | <b>90.46</b>     |

**32. Other expenses**

(₹ in Lakhs)

| Particulars                        | For the year ended |                  |                  |
|------------------------------------|--------------------|------------------|------------------|
|                                    | 31st March, 2022   | 31st March, 2021 | 31st March, 2020 |
| Auditor remuneration               | 2.50               | 0.30             | 0.29             |
| Electricity expenses               | 1.80               | 1.25             | 1.89             |
| Repairs and Maintenance expenses   | 7.82               | 5.56             | 4.28             |
| Rent expenses                      | 4.06               | 4.44             | 4.49             |
| Directors' Remuneration            | 1,125.00           | 65.40            | 54.00            |
| Installation expenses              | 266.67             | 16.42            | -                |
| Insurance expenses                 | 1.69               | 2.82             | 1.19             |
| Legal and professional expenses    | 134.00             | 41.88            | 6.36             |
| Commission expenses                | 84.10              | 47.21            | 18.44            |
| Rates & taxes                      | 0.43               | 0.34             | 0.59             |
| Travelling & Conveyance expenses   | 58.25              | 19.60            | 36.26            |
| Selling and distribution expenses  | 39.86              | 32.70            | 3.15             |
| Bad debts                          | 9.03               | 7.98             | 3.17             |
| Loss allowance on Deposits         | 0.50               | 4.10             | 3.87             |
| Loss allowance on Trade Receivable | 2.75               | 3.98             | 4.48             |
| Other Miscellaneous Expenses       | 57.08              | 20.15            | 29.06            |
| <b>Total</b>                       | <b>1,795.54</b>    | <b>274.13</b>    | <b>171.52</b>    |

**33. Payments to Auditors**

(₹ in Lakhs)

| Particulars          | For the year ended |                 |                 |
|----------------------|--------------------|-----------------|-----------------|
|                      | 31st March 2022    | 31st March 2021 | 31st March 2020 |
| Statutory Audit Fees | 2.50               | 0.30            | 0.29            |
|                      | <b>2.50</b>        | <b>0.30</b>     | <b>0.29</b>     |

**34. Tax Reconciliation**

(₹ in Lakhs)

| Particulars   | For the year ended |                  |                  |
|---|--------------------|------------------|------------------|
|   | 31st March, 2022   | 31st March, 2021 | 31st March, 2020 |
| <b>(a) Income tax expense</b>   |                    |                  |                  |
| Current tax on profits for the year   |                    |                  |                  |
| (i) Current tax at 34.94% (Tax paid / Payable by firm)  | 498.02             | 57.01            | 22.65            |
| (i) Current tax at 25.17% (Tax paid / Payable by Company)   | 255.48             | -                | -                |
| Current tax on profits for the year   | <b>753.50</b>      | <b>57.01</b>     | <b>22.65</b>     |
| (ii) Deferred tax calculated at 25.17%  | (3.99)             | 9.90             | (16.65)          |
| Total Income tax expenses (i + ii)  | <b>749.51</b>      | <b>66.91</b>     | <b>5.99</b>      |
| Tax Rate applicable   |                    |                  |                  |
| <b>(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate</b> |                    |                  |                  |
| Profit before Tax   | 2,411.32           | 152.95           | 71.42            |
| Tax Rate  | See Notes*         | <b>34.94%</b>    | <b>31.20%</b>    |
| <b>Tax at Statutory Tax Rate</b>  | <b>732.19</b>      | <b>53.44</b>     | <b>22.28</b>     |

|  |               |              |             |
|--|---------------|--------------|-------------|
| Depreciation   | 1.92          | -            | -           |
| on account of expenses allowable u/s 43B and section 35D | 17.16         | -            | -           |
| Others   | (1.75)        | 13.46        | (16.29)     |
| <b>Income Tax Expense</b>                                | <b>749.52</b> | <b>66.90</b> | <b>5.99</b> |

\* **Notes:** Tax Rate for the year ended March 31, 2022 comprise of two different tax rates i.e. 34.94% for the erstwhile partnership firm and 25.17% for the Company, post conversion.

### 35. Contingent Liabilities

(₹ in Lakhs)

| Sr. No | Particulars  | As at 31st March, 2022 | As at 31st March, 2021 | As at 31st March, 2020 |
|--------|--|------------------------|------------------------|------------------------|
| (i)    | <b>Contingent liabilities</b>  |                        |                        |                        |
|        | a) Liabilities Disputed  |                        |                        |                        |
|        | - Disputed VAT & CST liabilities   | 1.11                   | 35.96                  | 35.96                  |
|        | - Tax Deducted at Source   | 1.90                   | 3.70                   | 3.67                   |
|        | c) Bank Guarantees   | 265.50                 | 131.70                 | 122.75                 |
|        | <b>Total</b>   | <b>268.51</b>          | <b>171.36</b>          | <b>162.38</b>          |
| (ii)   | <b>Estimated amount of contracts remaining to be executed on capital account and not provided for:</b> | -                      | -                      | -                      |

(\*) The above contingent liability is on account of assessment orders passed by the respective revenue authorities for the periods related to the erstwhile partnership firm. The company will submit the required certificates, forms and other documents to the revenue authorities in order to rectify and remove the above demands.

### 36. Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

#### i. Profit attributable to Equity holders of Company

(₹ in Lakhs)

| Particulars   | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 | For the year ended 31st March, 2020 |
|---|-------------------------------------|-------------------------------------|-------------------------------------|
| Profit attributable to equity holders of the Company for basic and diluted earnings per share | 1,661.29                            | 86.00                               | 65.42                               |

#### ii. Weighted average number of ordinary shares

| Particulars  | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 | For the year ended 31st March, 2020 |
|--|-------------------------------------|-------------------------------------|-------------------------------------|
| Issued ordinary shares (in Nos) (*)  | 140,00,000                          | 140,00,000                          | 140,00,000                          |
| Weighted average number of shares at 31st March for basic and diluted earnings per share | 140,00,000                          | 140,00,000                          | 140,00,000                          |
| <b>Basic and Diluted Earnings per share</b>  | <b>11.87</b>                        | <b>0.61</b>                         | <b>0.47</b>                         |

(\*) The above equity shares are issued to partners of the erstwhile firm i.e M/s Aprameya Engineering on its conversion to private limited company. The shares were issued at par against the fixed capital of partners outstanding as on date of conversion i.e 27.12.2021. The company has allotted 70, 00,000 equity shares as fully paid-up bonus shares in the ratio of 1:1 on 06.08.2022. Further, as per Ind AS-33, if the number of ordinary or potential ordinary shares outstanding increases as a result of a capitalisation, bonus issue or share split, or decreases as a result of a reverse share split, the calculation of basic and diluted earnings per share for all periods presented shall be adjusted retrospectively. If these changes occur after the reporting period but before the financial statements are approved for issue, the per share calculations for those and any prior period financial statements presented shall be based on the new number of shares. Pursuant to the issue of bonus equity shares as mentioned above, the weighted average numbers of shares and consequently the basic and diluted earnings

per share have been adjusted in the financial statements for all the earlier periods presented in the restated financial statements.

### 37. Disclosure as required under Ind AS 19 - Employee Benefits

#### A. Defined benefit plans:

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is unfunded. The following tables summaries the components of net benefit expense recognized in the Statement of profit and loss and the unfunded status and amounts recognized in the balance sheet for the gratuity plan.

#### Risks associated with defined benefit plan

**Interest rate risk:** A fall in the discount rate which is linked to the Government securities rate will increase the present value of the liability requiring higher provision.

**Salary Risk:** The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

**Investment Risk:** The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

**Asset Liability Matching Risk:** The plan faces the ALM risk as to the matching cash flow. The entity has to manage pay-out based on pay as you go basis from own funds.

**Mortality risk:** Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

#### Characteristics of defined benefit plans

During the year, there were no plan amendments, curtailments and settlements. The following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements:

#### Defined benefit plans

(₹ in Lakhs)

| a) Reconciliation in present value of obligations (PVO) - Defined Benefit Obligation: | Gratuity unfunded as on |                   |                   |
|---|-------------------------|-------------------|-------------------|
|   | 31st March , 2022       | 31st March , 2021 | 31st March , 2020 |
| Present value of Benefit Obligations at the beginning of the period                   | 8.95                    | 6.99              | -                 |
| Current Service Cost  | 1.64                    | 1.30              | 6.99              |
| Interest Cost   | 0.61                    | 0.48              | -                 |
| <b>Actuarial (Gains)/Losses on obligations</b>  |                         |                   |                   |
| Due to Change in Demographic Assumption   | -                       | -                 | -                 |
| Due to Change in Financial Assumption   | (0.63)                  | 0.05              | -                 |
| Due to Experience   | 2.68                    | 0.13              | -                 |
| <b>Present value of Benefit Obligations at the end of the period</b>                  | <b>13.25</b>            | <b>8.95</b>       | <b>6.99</b>       |

(₹ in Lakhs)

| b) Reconciliation of PVO and fair value of plan assets:       | Gratuity unfunded as on |                   |                   |
|---|-------------------------|-------------------|-------------------|
|   | 31st March , 2022       | 31st March , 2021 | 31st March , 2020 |
| Present value of Benefit Obligations at the end of the period | 13.25                   | 8.95              | 6.99              |
| Fair value of Plan assets at the end of the year              | -                       | -                 | -                 |
| <b>Net (Asset) / Liability recognised in Balance sheet</b>    | <b>13.25</b>            | <b>8.95</b>       | <b>6.99</b>       |

(₹ in Lakhs)

| c) Net Interest Cost for Current Period                            | Gratuity unfunded as on |                   |                   |
|--|-------------------------|-------------------|-------------------|
|  | 31st March , 2022       | 31st March , 2021 | 31st March , 2020 |
| Present Value of Benefit Obligation at the Beginning of the Period | 8.95                    | 6.99              | -                 |
| (Fair Value of Plan Assets at the Beginning of the Period)         | -                       | -                 | -                 |
| Net Liability/ ( Asset) at the Beginning                           | 8.95                    | 6.99              | -                 |
| Interest cost  | 0.61                    | 0.48              | -                 |
| (Interest Income )   | -                       | -                 | -                 |
| <b>Net Interest Cost for Current Period</b>                        | <b>0.61</b>             | <b>0.48</b>       | <b>-</b>          |

(₹ in Lakhs)

| d) Net Expenses recognised in the statement of Profit and Loss accounts | Gratuity unfunded as on |                   |                   |
|---|-------------------------|-------------------|-------------------|
|   | 31st March , 2022       | 31st March , 2021 | 31st March , 2020 |
| Current Service Cost  | 1.64                    | 1.30              | 6.99              |
| Net Interest Cost   | 0.61                    | 0.48              | -                 |
| <b>Total</b>  | <b>2.25</b>             | <b>1.78</b>       | <b>6.99</b>       |

(₹ in Lakhs)

| e) Expense recognised in Other comprehensive Income for Current Period | Gratuity unfunded as on |                   |                   |
|--|-------------------------|-------------------|-------------------|
|  | 31st March , 2022       | 31st March , 2021 | 31st March , 2020 |
| Actuarial ( Gains) Losses on Obligation for the Period                 | 2.05                    | 0.18              | -                 |
| Return on Plan Assets, Excluding Interest Income                       | -                       | -                 | -                 |
| <b>Net ( Income)/ Expense For the Period Recognized in OCI</b>         | <b>2.05</b>             | <b>0.18</b>       | <b>-</b>          |

(₹ in Lakhs)

| f) Balance Sheet Reconciliation                                | Gratuity unfunded as on |                   |                   |
|--|-------------------------|-------------------|-------------------|
|  | 31st March , 2022       | 31st March , 2021 | 31st March , 2020 |
| Opening Net Liability  | 8.95                    | 6.99              | -                 |
| Expense Recognized in Statement of Profit Or Loss              | 2.25                    | 1.78              | 6.99              |
| Expense Recognized in OCI                                      | 2.05                    | 0.18              | -                 |
| (Employer's Contribution )                                     | -                       | -                 | -                 |
| <b>Net Liability ( Assets) Recognized in the Balance Sheet</b> | <b>13.25</b>            | <b>8.95</b>       | <b>6.99</b>       |

(₹ in Lakhs, except employee data)

| g) Other Details  | Gratuity unfunded as on |                   |                   |
|---|-------------------------|-------------------|-------------------|
|   | 31st March , 2022       | 31st March , 2021 | 31st March , 2020 |
| No of Active Members  | 40                      | 21                | 15                |
| Per Month Salary for Active Members                           | 5.34                    | 3.07              | 2.43              |
| Weighted Average Duration of the Projected Benefit Obligation | 12                      | 13                | 13                |
| Average Expected Future Service                               | 14                      | 14                | 13                |
| Projected Benefit Obligation                                  | 13.25                   | 8.95              | 6.99              |
| Prescribed Contribution for Next Year (12 Months)             | -                       | -                 | -                 |

(₹ in Lakhs)

| h) Assumptions used in the accounting for the gratuity plan: | Gratuity unfunded as on |                   |                   |
|--|-------------------------|-------------------|-------------------|
|  | 31st March , 2022       | 31st March , 2021 | 31st March , 2020 |

|                                    |  |   |   |
|------------------------------------|--|---|---|
| Expected return on plan assets (%) | N.A.   | N.A.  | N.A.  |
| Rate of Discounting                | 7.25%  | 6.82%   | 6.87%   |
| Rate of Salary Increase            | 7.00%  | 7.00%   | 7.00%   |
| Rate of Employee Turnover          | 5.00%  | 5.00%   | 5.00%   |
| Mortality Rate During Employment   | Indian Assured Lives Mortality (2012-14) Urban | Indian Assured Lives Mortality (2006-08) Ultimate | Indian Assured Lives Mortality (2006-08) Ultimate |

**Note 1:** Discount rate is determined by reference to market yields at the balance sheet date on Government bonds, where the currency and terms of the Government bonds are consistent with the currency and estimated terms for the benefit obligation.

**Note 2:** The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

#### Sensitivity Analysis

(₹ in Lakhs)

| Particulars   | Gratuity unfunded as on |                   |                   |
|---|-------------------------|-------------------|-------------------|
|   | 31st March , 2022       | 31st March , 2021 | 31st March , 2020 |
| Projected Benefit Obligation on Current Assumptions | 13.25                   | 8.95              | 6.99              |
| +1.00% Change in Rate of Discounting                | (1.30)                  | (0.91)            | -                 |
| -1.00% Change in Rate of Discounting                | 1.54                    | 1.08              | -                 |
| +1.00% Change in Rate of Salary escalation          | 1.53                    | 1.07              | -                 |
| -1.00% Change in Rate of Salary escalation          | (1.31)                  | (0.91)            | -                 |
| +1.00% Change in Rate of Employee Turnover          | (0.01)                  | (0.05)            | -                 |
| -1.00% Change in Rate of Employee Turnover          | 0.01                    | 0.05              | -                 |

The sensitivity analysis has been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

(₹ in Lakhs)

| Particulars                        | Gratuity unfunded as on |                   |                   |
|------------------------------------|-------------------------|-------------------|-------------------|
|                                    | 31st March , 2022       | 31st March , 2021 | 31st March , 2020 |
| Total employee benefit liabilities | 13.25                   | 8.95              | 6.99              |
| Non-current                        | 12.65                   | 8.58              | 6.68              |
| Current                            | 0.60                    | 0.36              | 0.30              |

#### B. Defined Contribution plans:

Amounts recognized as expense for the year towards contribution to the following funds: (Rs in Lakhs)

| Particulars                       | As on             |                   |                   |
|-----------------------------------|-------------------|-------------------|-------------------|
|                                   | 31st March , 2022 | 31st March , 2021 | 31st March , 2020 |
| <b>Employers contribution to:</b> |                   |                   |                   |
| -Provident Fund                   | 0.55              | -                 | -                 |
| <b>Total contribution</b>         | <b>0.55</b>       | <b>-</b>          | <b>-</b>          |

The company has obtained registration with the Provident fund (PF) and Employee State Insurance Corporation (ESIC) after 28th December 2021. The company does not expect any material liability on account of above, if any for earlier periods.

### 38. Related Party Disclosures

#### d) Name of the related party and nature of relationship: -

| Sr. No     | Particulars   | Relationship  |
|------------|---|---|
| <b>i</b>   | <b>Key Managerial Personnel (KMP)/Directors</b>     |   |
|            | 1. Mr. Chetan Mohan Joshi                           | Managing Director   |
|            | 2. Mr. Saurabh Kishorbhai Bhatt                     | Chairman and Joint Managing Director  |
|            | 3. Mrs. Archana Chetan Joshi                        | Director (With Effect From : 01.04.2022)                                      |
|            | 4. Mrs. Pooja Saurabh Bhatt                         | Director (With Effect From :01.04.2022 )                                      |
|            | 5. Mrs. Salini Hitesh Jalan                         | Independent Director (w.e.f 15.06.2022)                                       |
|            | 6. Mrs. Raina Singh                                 | Independent Director (w.e.f 15.06.2022)                                       |
|            | 7. Mrs Heena Hareshbhai Jaichandani                 | Independent Director (w.e.f 02.07.2022)                                       |
|            | 8. Mr. Sureshkumar Verma                            | Independent Director (w.e.f 02.07.2022)                                       |
|            | 9. Mr. Vijaykumar K Jotani                          | Company Secretary (w.e.f 01.06.2022)  |
|            | 10. Mr. Jignesh Suthar                              | Chief Financial Officer (w.e.f. 06.08.2022)                                   |
| <b>ii</b>  | <b>Relative</b>                                     | Relative of KMP   |
|            | 1. Mrs. Archana Chetan Joshi(Relative upto 31.3.22) |   |
|            | 2. Mrs. Pooja Saurabh Bhatt(Relative upto 31.3.22)  |   |
|            | 3. Mr. Sanjay Joshi                                 |   |
|            | 4. Mr. Sweta Joshi                                  |   |
|            | 5. Mr. Sunil Joshi                                  |   |
|            | 6. Mr. Aarti Joshi                                  |   |
| <b>iii</b> | <b>Related Entities</b>                             | Entities over which KMP / Relatives of KMP can exercise significant influence |
|            | 1. Aprameya Health Care_Prop. Saurabh Bhatt-HUF     |   |
|            | 2. Aprameya Life Science_Prop. Chetan Joshi-HUF     |   |
|            | 3. Mecviz Endoscopy India Pvt Ltd                   |   |
|            | 4. Aprameya Eng (India) Pvt Ltd                     |   |
|            | 5. D & A Instrumentation Labs LLP                   |   |
|            | 6. Manitechnest Solution LLP                        |   |

#### e) Key Managerial Personnel Compensation

(₹ in Lakhs)

| Particulars                                | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 | For the year ended 31st March, 2020 |
|--|-------------------------------------|-------------------------------------|-------------------------------------|
| <b>Partner's / Director's Remuneration</b> |                                     |                                     |                                     |
| Chetan Mohan Joshi                         | 562.50                              | 32.70                               | 27.00                               |
| Saurabh Kishorbhai Bhatt                   | 562.50                              | 32.70                               | 27.00                               |
| <b>Total Compensation</b>                  | <b>1125.00</b>                      | <b>65.40</b>                        | <b>54.00</b>                        |

#### f) Transactions with Related Parties:

During the year, the following transactions were carried out with related parties and relative of Key Managerial Personnel in the ordinary course of the business.

(₹ in Lakhs)

| Nature of Transaction and Name of Parties                               | For the year ended on |                  |                  |
|---|-----------------------|------------------|------------------|
|   | 31st March, 2022      | 31st March, 2021 | 31st March, 2020 |
| <b>A. Transaction with Related Party - Before Conversion to Company</b> |                       |                  |                  |
| <b>Partner's Capital Account Transaction</b>                            |                       |                  |                  |
| <b>Partner's Remuneration</b>   |                       |                  |                  |
| Mr. Chetan Mohan Joshi  | 562.50                | 32.70            | 27.00            |
| Mr. Saurabh Kishorbhai Bhatt  | 562.50                | 32.70            | 27.00            |
| <b>Interest on Capital</b>  |                       |                  |                  |
| Mr. Chetan Mohan Joshi  | 17.64                 | 19.90            | 19.21            |
| Mr. Saurabh Kishorbhai Bhatt  | 19.17                 | 22.92            | 20.07            |
| <b>Net Capital Addition/ (Withdrawals)</b>                              |                       |                  |                  |
| Mr. Chetan Mohan Joshi  | 409.33                | 0.44             | 25.38            |

|   |          |         |        |
|---|----------|---------|--------|
| Mr. Saurabh Kishorbhai Bhatt                              | 414.23   | (26.57) | 57.68  |
| <b>Share of Profit</b>                                    |          |         |        |
| Mr. Chetan Mohan Joshi                                    | 440.94   | 82.01   | 36.72  |
| Mr. Saurabh Kishorbhai Bhatt                              | 440.94   | 82.01   | 36.72  |
| <b>Closing Balance Fixed capital</b>                      |          |         |        |
| Mr. Chetan Mohan Joshi                                    | 350.00   | -       | -      |
| Mr. Saurabh Kishorbhai Bhatt                              | 350.00   | -       | -      |
| <b>Closing Balance Current capital</b>                    |          |         |        |
| Mr. Chetan Mohan Joshi                                    | 715.84   | 215.57  | 172.20 |
| Mr. Saurabh Kishorbhai Bhatt                              | 723.55   | 218.38  | 202.01 |
| <b>Purchase of goods</b>                                  |          |         |        |
| Mecviz Endoscopy India Pvt Ltd                            | 533.82   | 8.02    | -      |
| Aprameya Eng (India) Pvt Ltd                              | 2,056.84 | -       | -      |
| D & A Instrumentation Labs LLP                            | 600.96   | -       | -      |
| <b>Sale of goods</b>                                      |          |         |        |
| Manitechnest Solution LLP                                 | -        | 0.91    | -      |
| <b>Sundry Balance Written Off</b>                         |          |         |        |
| Mr. Sanjay Joshi  | 1.00     | -       | -      |
| <b>Salary Expense</b>                                     |          |         |        |
| Archana Chetan Joshi                                      | 8.88     | 11.25   | 10.80  |
| Pooja Saurabh Bhatt                                       | 8.88     | 11.25   | 10.80  |
| Sweta joshi   | 4.12     | 5.38    | 4.20   |
| <b>Installation expenses</b>                              |          |         |        |
| Aprameya Eng (India) Pvt Ltd                              | 203.04   | -       | -      |
| Mecviz Endoscopy India Pvt Ltd                            | 200.00   | -       | -      |
| Aprameya Health Care_Prop. Saurabh Bhatt-HUF              | 18.49    | -       | -      |
| Aprameya Life Science_Prop. Chetan Joshi-HUF              | 18.45    | -       | -      |
| Aarti Joshi   | 12.41    | 8.10    | -      |
| Sunil Joshi   | 16.85    | 8.25    | -      |
| <b>Accounts Payable</b>                                   |          |         |        |
| Mecviz Endoscopy India Pvt Ltd                            | 121.98   | 10.00   | -      |
| Aprameya Eng (India) Pvt Ltd                              | 559.07   | -       | -      |
| Aprameya Health Care_Prop. Saurabh Bhatt-HUF              | 18.30    | -       | -      |
| Aprameya Life Science_Prop. Chetan Joshi-HUF              | 18.26    | -       | -      |
| Sweta joshi   |          |         |        |
| Aarti Joshi   | 12.28    | 8.04    | -      |
| Sunil Joshi   | 15.88    | 8.19    | -      |
| <b>Accounts Receivable</b>                                |          |         |        |
| Manitechnest Solution LLP                                 | -        | 1.07    | -      |
| <b>Loan given during the year</b>                         |          |         |        |
| Chetan Joshi (HUF)  | 0.50     | 1.10    | 2.35   |
| Archana Chetan Joshi                                      | 34.40    | 62.60   | 10.08  |
| Saurabh Bhatt (HUF)                                       | 0.50     | 1.00    | 2.25   |
| Pooja Saurabh Bhatt                                       | 39.00    | 68.00   | 11.12  |
| Mecviz Endoscopy India Pvt Ltd                            | -        | -       | -      |
| <b>Loan received back during the year</b>                 |          |         |        |
| Chetan Joshi (HUF)  | 0.50     | 1.10    | 2.35   |
| Archana Chetan Joshi                                      | 34.40    | 71.68   | 1.00   |
| Saurabh Bhatt (HUF)                                       | 0.50     | 2.90    | 2.10   |
| Pooja Saurabh Bhatt                                       | 39.00    | 78.12   | 1.00   |
| Sanjay joshi  | -        | -       | -      |
| Sunil Joshi   | 0.80     | -       | -      |
| Mecviz Endoscopy India Pvt Ltd                            | -        | 0.36    | -      |
| <b>Loan Receivable Outstanding at the end of the year</b> |          |         |        |
| Archana Chetan Joshi                                      | -        | -       | 9.08   |
| Saurabh Bhatt (HUF)                                       | -        | -       | 1.90   |
| Pooja Saurabh Bhatt                                       | -        | -       | 10.12  |
| Sanjay joshi  | -        | 1.00    | 1.00   |

|   |        |       |       |
|---|--------|-------|-------|
| Sunil Joshi   | -      | 0.80  | 0.80  |
| Mecviz Endoscopy India Pvt Ltd  | -      | -     | 0.36  |
| <b>Unsecured Loan taken during the year</b>   |        |       |       |
| Aprameya Eng (India) Pvt Ltd  | 44.30  | 84.20 | 39.85 |
| <b>Unsecured Loan repaid during the year</b>  |        |       |       |
| Aprameya Eng (India) Pvt Ltd  | 44.30  | 84.20 | 39.85 |
| Sunil Joshi   | -      | 4.34  | -     |
| Aarti Joshi   | -      | 4.11  | -     |
| <b>Unsecured Loan Payable Outstanding at the end of the year</b>                              |        |       |       |
| Sunil Joshi   | -      | -     | 4.34  |
| Aarti Joshi   | -      | -     | 4.11  |
| <b>B. Transaction with Related Party - After Conversion from partnership firm to Company.</b> |        |       |       |
| <b>Issue of Share Capital</b>   |        |       |       |
| Mr. Chetan Mohan Joshi  | 350.00 | -     | -     |
| Mr. Saurabh Kishorbhai Bhatt  | 350.00 | -     | -     |
| <b>Unsecured Loan transferred from Capital of Erstwhile Partnership Firm</b>                  |        |       |       |
| Mr. Chetan Mohan Joshi  | 715.84 | -     | -     |
| Mr. Saurabh Kishorbhai Bhatt  | 723.55 | -     | -     |
| <b>Unsecured Loan taken during the year</b>   |        |       |       |
| Mr. Chetan Mohan Joshi  | 164.50 | -     | -     |
| Mr. Saurabh Kishorbhai Bhatt  | 156.00 | -     | -     |
| <b>Unsecured Loan paid back during the period</b>   |        |       |       |
| Mr. Chetan Mohan Joshi  | 289.68 | -     | -     |
| Mr. Saurabh Kishorbhai Bhatt  | 257.84 | -     | -     |
| <b>Unsecured Loan Outstanding</b>   |        |       |       |
| Mr. Chetan Mohan Joshi  | 590.66 | -     | -     |
| Mr. Saurabh Kishorbhai Bhatt  | 621.71 | -     | -     |
| <b>Sales</b>  |        |       |       |
| Mecviz Endoscopy India Pvt Ltd  | 50.48  | -     | -     |
| <b>Purchase</b>   |        |       |       |
| Mecviz Endoscopy India Pvt Ltd  | 7.86   | -     | -     |
| <b>Salary Expense</b>   |        |       |       |
| Mrs. Archana Chetan Joshi   | 2.82   | -     | -     |
| Mrs. Pooja Saurabh Bhatt  | 2.82   | -     | -     |
| Mrs. Sweta Joshi  | 1.38   | -     | -     |
| <b>Accounts Payable</b>   |        |       |       |
| Mecviz Endoscopy India Pvt Ltd  | 121.98 | -     | -     |
| Aprameya Eng (India) Pvt Ltd  | 559.07 | -     | -     |
| Aprameya Health Care_Prop. Saurabh Bhatt-HUF  | 18.30  | -     | -     |
| Aprameya Life Science_Prop. Chetan Joshi-HUF  | 18.26  | -     | -     |
| Mrs. Aarti Joshi  | 12.28  | -     | -     |
| Mr. Sunil Joshi   | 15.88  | -     | -     |

### 39. Operating Segments

#### Primary Segment

There are two major Business segments. One is trading of Medical support Equipment's (Trading Sales) and another is supplies for Infra Projects for health care sectors (Turnkey project supplies).

**Revenue by Type of Business**

(₹ in Lakhs)

| Particulars   | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 | For the year ended 31st March, 2020 |
|---|-------------------------------------|-------------------------------------|-------------------------------------|
| <b>1. Segment Revenue</b>   |                                     |                                     | See Note 39 (iv)                    |
| a. Trading Sales  | 8,383.50                            | 1,168.83                            | -                                   |
| b. Trunkey Project Supply   | 11,505.29                           | 1,164.94                            | -                                   |
| <b>Total Income from Segment</b>                                  | <b>19,888.79</b>                    | <b>2,333.77</b>                     | -                                   |
| <b>2. Segment Results</b>   |                                     |                                     |                                     |
| a. Trading Sales  | 1,902.41                            | 61.31                               | -                                   |
| b. Trunkey Project Supply   | 2,579.86                            | 384.19                              | -                                   |
| <b>Total</b>  | <b>4,482.27</b>                     | <b>445.50</b>                       | -                                   |
| <b>Unallowable income and Expenditure</b>                         |                                     |                                     |                                     |
| <b>Less</b>   |                                     |                                     |                                     |
| (1) Expense   | 2,208.36                            | 560.01                              | -                                   |
| <b>Add</b>  |                                     |                                     |                                     |
| (2) Other Income  | 137.41                              | 267.47                              | -                                   |
| <b>Profit Before Tax</b>  | <b>2,411.32</b>                     | <b>152.96</b>                       | -                                   |
| <b>Less: Tax expenses</b>   | 750.04                              | 66.95                               | -                                   |
| <b>Profit After Tax</b>   | <b>1,661.28</b>                     | <b>86.01</b>                        | -                                   |
| Other Comprehensive Income  | (1.52)                              | (0.14)                              | -                                   |
| <b>Total Comprehensive Income</b>                                 | <b>1,659.76</b>                     | <b>85.87</b>                        | -                                   |
| <b>Segment assets and Liabilities</b>                             |                                     |                                     |                                     |
| <b>3. Segment Assets</b>  |                                     |                                     |                                     |
| a. Trading Sales  | 1,522.14                            | 748.19                              | -                                   |
| b. Trunkey Project Supply   | 2,744.86                            | 66.41                               | -                                   |
|   | <b>4,267.00</b>                     | <b>814.60</b>                       | -                                   |
| c. Unallocated Assets   | 591.95                              | 276.38                              | -                                   |
| <b>Total</b>  | <b>4,858.95</b>                     | <b>1,090.98</b>                     | -                                   |
| <b>4. Segment Liabilities</b>                                     |                                     |                                     |                                     |
| a. Trading Sales  | 456.21                              | 309.29                              | -                                   |
| b. Trunkey Project Supply   | 1,420.45                            | 170.70                              | -                                   |
|   | <b>1,876.66</b>                     | <b>479.99</b>                       | -                                   |
| c. Unallocated Liabilities  | 172.92                              | 177.03                              | -                                   |
| <b>Total</b>  | <b>2,049.58</b>                     | <b>657.02</b>                       | -                                   |
| <b>5. Capital employed(Capital Total Debt-Deferred tax asset)</b> |                                     |                                     |                                     |
| a. Trading Sales  | 1,065.93                            | 438.90                              | -                                   |
| b. Trunkey Project Supply   | 1,324.41                            | (104.29)                            | -                                   |
|   | <b>2,390.34</b>                     | <b>334.61</b>                       | -                                   |
| c. Unallocated Assets   | 419.03                              | 236.37                              | -                                   |
| <b>Capital Employed</b>   | <b>2,809.37</b>                     | <b>570.98</b>                       | -                                   |

**Notes:**

(i) Segment revenue generated from external customers, is fully attributable to the Company's Country of domicile i.e. India. All assets are located in the Company's Country of domicile.

(ii) The Company has common PPE for Trading and Trunkey Project supplies.

(iii) Concentration of Revenues from three customers of the company were 71.47 % of total revenue for the period ended 31st March, 2022. No Concentration of Revenues from any customers of the company were 10% of total revenue for the year ended 31st March, 2021. Concentration of Revenues from one customers of the company were 11.12% of total revenue for the year ended 31st March, 2020

(iv) In the financial year, 2020, the Company had only trading activities and therefore segment information is not applicable.

**40. Leases:****(i) As Lessee****a. Short term leases:**

The Company has taken various premises under Short term lease. The Lease agreements have no sub leases. These Lease are generally cancellable and are renewable by mutual consent on mutually agreed terms. There are no restrictions imposed by lease agreements. The lease payment recognised in the statement of profit & loss during the year 31st March, 2022 is ₹. 4.06 lakhs (31st March, 2021: ₹ 4.44 lakhs and 31st March, 2020: ₹ 4.48).

**b. Finance Leases**

The lease hold land asset has been created on account of payments made by the company towards lease hold land acquired during the year.

**(₹ in Lakhs)**

| Particulars                       | For the year ended<br>31st March,<br>2022 | For the year ended<br>31st March,<br>2021 | For the year ended<br>31st March,<br>2020 |
|-----------------------------------|---|---|---|
| Amortisation charged for the year | 0.91                                      | -   | -   |

**(ii) As Lessor**

The Company has provided two office premises on lease through operating and cancellable lease arrangements for the short term period.

Rental income arising from operating leases on Investment properties is accounted over the lease terms and is included in Other Income in the Statement of Profit and Loss.

**(₹ in Lakhs)**

| Particulars   | For the year ended<br>31st March,<br>2022 | For the year ended<br>31st March,<br>2021 | For the year ended<br>31st March,<br>2020 |
|---------------|---|---|---|
| Rental Income | 3.35                                      | 3.27                                      | 3.17                                      |

**41. Fair Value Measurements****Financial instruments by category**

Carrying value of Financial Assets and financial Liabilities including their levels in the fair value hierarchy, are presented below. Financial Assets and Financial Liabilities such as cash and cash equivalents, other bank balances, trade receivables, loans, Trade payables, borrowings of which the fair value is a reasonable approximation of fair value due to their short term nature are disclosed at carrying values.

**(₹ in Lakhs)**

| Particulars                        | As at 31st March, 2022 |       |                 |
|------------------------------------|------------------------|-------|-----------------|
|                                    | FVTPL                  | FVOCI | Amortized Cost  |
| <b>Financial Assets</b>            |                        |       |                 |
| Loans and advances                 | -                      | -     | 1.30            |
| Deposits                           |                        |       | 499.87          |
| Trade Receivables                  | -                      | -     | 2,668.34        |
| Cash and Cash Equivalents          | -                      | -     | 249.05          |
| Bank Balances other than above     | -                      | -     | 236.51          |
| Other Financial Assets             | -                      | -     |                 |
| <b>Total Financial Assets</b>      | -                      | -     | <b>3,655.07</b> |
| <b>Financial Liabilities</b>       |                        |       |                 |
| Borrowings                         | -                      | -     | 1,368.28        |
| Other financial Liabilities        | -                      | -     | 13.70           |
| Trade payables                     | -                      | -     | 1,799.37        |
| <b>Total Financial Liabilities</b> | -                      | -     | <b>3,181.35</b> |

**(₹ in Lakhs)**

| Particulars | As at 31st March, 2021 |  |  |
|-------------|------------------------|--|--|
|-------------|------------------------|--|--|

|                                    | FVTPL    | FVOCI    | Amortized Cost |
|------------------------------------|----------|----------|----------------|
| <b>Financial Assets</b>            |          |          |                |
| Loans and advances                 | -        | -        | 6.31           |
| Deposits                           | -        | -        | 95.47          |
| Trade Receivables                  | -        | -        | 411.62         |
| Cash and Cash Equivalents          | -        | -        | 0.76           |
| Bank Balances other than above     | -        | -        | 64.77          |
| Other Financial Assets             | -        | -        |                |
| <b>Total Financial Assets</b>      | <b>-</b> | <b>-</b> | <b>578.93</b>  |
| <b>Financial Liabilities</b>       |          |          |                |
| Borrowings                         | -        | -        | 148.27         |
| Other financial Liabilities        | -        | -        | 3.30           |
| Trade payables                     | -        | -        | 424.55         |
| <b>Total Financial Liabilities</b> | <b>-</b> | <b>-</b> | <b>576.12</b>  |

(₹ in Lakhs)

| Particulars                         | As at 31st March, 2020 |          |                |
|-------------------------------------|------------------------|----------|----------------|
|                                     | FVTPL                  | FVOCI    | Amortized Cost |
| <b>Financial Assets</b>             |                        |          |                |
| Loans and advances                  |                        |          | 30.31          |
| Deposits                            | -                      | -        | 94.75          |
| Trade Receivables                   | -                      | -        | 610.69         |
| Cash and Cash Equivalents           | -                      | -        | 6.64           |
| Bank Balances other than above      | -                      | -        | 62.96          |
| Other Financial Assets              | -                      | -        |                |
| <b>Total Financial Assets</b>       | <b>-</b>               | <b>-</b> | <b>805.35</b>  |
| <b>Financial Liabilities</b>        |                        |          |                |
| Borrowings                          | -                      | -        | 403.22         |
| Other current financial Liabilities | -                      | -        | 1.70           |
| Trade payables                      | -                      | -        | 525.52         |
| <b>Total Financial Liabilities</b>  | <b>-</b>               | <b>-</b> | <b>930.44</b>  |

#### (i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

#### Financial Assets and Liabilities measured at fair value - recurring fair value measurements

| As at 31st March, 2022             | Carrying Amount | Level 1  | Level 2  | Level 3  |
|------------------------------------|-----------------|----------|----------|----------|
| Financial Assets at FVTPL          | -               | -        | -        | -        |
| Financial Assets at FVOCI          | -               | -        | -        | -        |
| <b>Total Financial Assets</b>      | <b>-</b>        | <b>-</b> | <b>-</b> | <b>-</b> |
| Financial Liabilities at FVTPL     | -               | -        | -        | -        |
| Financial Liabilities at FVOCI     | -               | -        | -        | -        |
| <b>Total Financial Liabilities</b> | <b>-</b>        | <b>-</b> | <b>-</b> | <b>-</b> |

#### Financial Assets and Liabilities measured at fair value - recurring fair value measurements

| As at 31st March, 2021         | Carrying Amount | Level 1  | Level 2  | Level 3  |
|--------------------------------|-----------------|----------|----------|----------|
| Financial Assets at FVTPL      | -               | -        | -        | -        |
| Financial Assets at FVOCI      | -               | -        | -        | -        |
| <b>Total Financial Assets</b>  | <b>-</b>        | <b>-</b> | <b>-</b> | <b>-</b> |
| Financial Liabilities at FVTPL | -               | -        | -        | -        |
| Financial Liabilities at FVOCI | -               | -        | -        | -        |

|                                    |   |   |   |   |
|------------------------------------|---|---|---|---|
| <b>Total Financial Liabilities</b> | - | - | - | - |
|------------------------------------|---|---|---|---|

#### Financial Assets and Liabilities measured at fair value - recurring fair value measurements

| As at 31st March, 2020             | Carrying Amount | Level 1 | Level 2 | Level 3 |
|------------------------------------|-----------------|---------|---------|---------|
| Financial Assets at FVTPL          | -               | -       | -       | -       |
| Financial Assets at FVOCI          | -               | -       | -       | -       |
| <b>Total Financial Assets</b>      | -               | -       | -       | -       |
| Financial Liabilities at FVTPL     | -               | -       | -       | -       |
| Financial Liabilities at FVOCI     | -               | -       | -       | -       |
| <b>Total Financial Liabilities</b> | -               | -       | -       | -       |

**Level 1:** Hierarchy includes financial instruments measured using quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfers between levels 1 and 2 during the year.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels at the end of the reporting period.

#### (ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of the remaining financial instruments is determined using discounted analysis (if any).

## 42. Financial Risk Management

The Company's principal financial liabilities comprise of loan from banks and trade payables. The main purpose of these financial liabilities is to raise finance for the Company's operations. The Company has various financial assets such as trade receivables, cash and short term deposits, other Deposits, which arise directly from its operations. The main risks arising from Company's financial instruments are foreign currency risk, credit risk, market risk, interest rate risk and liquidity risk. The Board of Directors review and agree policies for managing each of these risks.

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The primary objective of the Company's capital management is to ensure that it maintains a strong credit and liquidity in order to support its business activities. The Company manages its capital and makes adjustments to it in light of the changes in economic and market conditions. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks.

### A. Credit risk

Credit risk is the risk of incurring a loss that may arise from a borrower or customer failing to make required payments. Credit risk arises mainly from outstanding receivables from free market dealers, cash and cash equivalents, employee advances and security deposits. The Company manages and analyses the credit risk for each of its new clients before standard payment and delivery terms and conditions are offered.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer and including the default risk of the industry, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on-going basis through each reporting period. To assess whether there is a significant increase

in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i. Actual or expected significant adverse changes in business;
- ii. Actual or expected significant changes in the operating results of the counterparty;
- iii. Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations;
- iv. Significant increase in credit risk on other financial instruments of the same counterparty;
- v. Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectations of recovery, such as a customer failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss.

#### (i) Trade Receivables

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instrument, which requires expected lifetime losses to be recognized from initial recognition of the receivables. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit Losses (ECL), the Company considers reasonable and relevant information that is available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

#### (ii) The reconciliation of ECL is as follows:

(₹ in Lakhs)

| Particulars                               | As at 31st March,<br>2022 | As at 31st March,<br>2021 | As at 31st March,<br>2020 |
|---|---------------------------|---------------------------|---------------------------|
| Balance at the beginning of the year      | 18.64                     | 14.65                     | 10.17                     |
| Provision made/(reversed) during the year | 2.75                      | 3.98                      | 4.48                      |
| Balance at the end                        | 21.39                     | 18.64                     | 14.65                     |

#### (iii) Cash and Cash Equivalents and Bank balances

As at the year end, the company held cash and cash equivalents and Bank balances of ₹. 485.55 lakhs (31.03.2021 ₹. 65.53 lakhs, 31.3.2020 ₹. 69.59 lakhs). The Bank balances are held with banks.

#### (iv) Other Financial Assets

It mainly includes deposits given mainly to Government authorities at the time of securing the contracts. The same are considered to be of good quality and there is no significant increase in credit risk.

### B. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

#### Maturities of financial liabilities

The tables herewith analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

**Contractual maturities of financial liabilities****(₹ in Lakhs)**

| <b>Particulars</b>                      | <b>Less than 1 year</b> | <b>More than 1 year</b> | <b>Total</b>    |
|---|-------------------------|-------------------------|-----------------|
| <b>As at 31st March, 2022</b>           |                         |                         |                 |
| <b>Non-derivatives</b>                  |                         |                         |                 |
| Borrowings                              | 36.37                   | 1,331.92                | 1,368.28        |
| Trade payables                          | 1,799.37                | -                       | 1,799.37        |
| Other financial liabilities             | 13.70                   | -                       | 13.70           |
| <b>Total Non-derivative liabilities</b> | <b>1,849.44</b>         | <b>1,331.92</b>         | <b>3,181.35</b> |
| <b>As at 31st March, 2021</b>           |                         |                         |                 |
| <b>Non-derivatives</b>                  |                         |                         |                 |
| Borrowings                              | 94.27                   | 54.00                   | 148.27          |
| Trade payables                          | 424.55                  | -                       | 424.55          |
| Other financial liabilities             | 3.30                    | -                       | 3.30            |
| <b>Total Non-derivative liabilities</b> | <b>522.12</b>           | <b>54.00</b>            | <b>576.12</b>   |
| <b>As at 31st March, 2020</b>           |                         |                         |                 |
| <b>Non-derivatives</b>                  |                         |                         |                 |
| Borrowings                              | 403.22                  | -                       | 403.22          |
| Trade payables                          | 525.52                  | -                       | 525.52          |
| Other financial liabilities             | 1.70                    | -                       | 1.70            |
| <b>Total Non-derivative liabilities</b> | <b>930.44</b>           | <b>-</b>                | <b>930.44</b>   |

**C. Market risk**

Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

**i. Currency risk**

Currency market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The risk is measured through a forecast of foreign currency for the Company's operations. The Company has no exposure to foreign currency risk at the end of the reporting period.

**43. Statement of restatement adjustments**

The company was earlier a partnership firm i.e M/s Aprameya Engineering. The same was converted to a company as on 27.12.2021. Thus, Appropriate adjustments have been made in the restated statement of assets and liabilities, restated statement of profit and loss and restated statement of cash flows, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financial statements of the company as at and for the year ended 31 March 2022, 31 March 2021, 31 March 2020 prepared in accordance with Schedule III to the Act and in compliance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act, to the extent applicable and the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (as amended).

Summarised below are the restatement adjustments made to the Total Comprehensive Income and its Impact on Total Equity of Audited financial statements for the year ended 31st March, 2022 and special purpose Ind AS audited financial statements of the company for the year ended on March 2021 and March 2020 and their consequential impact on the profit/(loss) of the company. Accordingly, suitable restatement adjustments (both re-measurements and re-classifications) in the accounting heads are made to the Ind AS financial information as of and for the financial years ended March 31, 2022, 2021 and 2020 following accounting policies and accounting policy choices (both mandatory exceptions and optional exemptions) consistent with that used at the date of transition to Ind AS (i.e. 1st April, 2019).

**A. Impact on restated total comprehensive income (TCI)**

(₹ in Lakhs)

| Particulars  | As at                |                      |                      |
|--|----------------------|----------------------|----------------------|
|  | 31st March ,<br>2022 | 31st March ,<br>2021 | 31st March ,<br>2020 |
| <b>a) Total comprehensive income/ (loss) as per audited statement of profit and loss</b> | 1,627.28             | 164.01               | 73.43                |
| <b>b) Restatement adjustments:</b>   |                      |                      |                      |
| Depreciation and Amortisation  | (3.45)               | (1.20)               | 13.33                |
| Profit/(Loss) on sale of PPE   | 0.11                 | -                    |                      |
| Loss allowance on Financial Assets   | 30.82                | (8.09)               | (8.36)               |
| Gratuity Expenses  | 10.47                | (1.78)               | (6.99)               |
| Tax Impacts  | (4.34)               | (66.95)              | (6.00)               |
| Less: Other Comprehensive Income(Net of Tax)   | (1.14)               | (0.14)               | -                    |
| <b>Total</b>   | <b>32.47</b>         | <b>(78.15)</b>       | <b>(8.01)</b>        |
| <b>Restated total comprehensive income/ (loss)</b>                                       | <b>1,659.75</b>      | <b>85.86</b>         | <b>65.42</b>         |

**B. Impact on total equity**

(₹ in Lakhs)

| Particulars  | As at                |                      |                      |
|--|----------------------|----------------------|----------------------|
|  | 31st March ,<br>2022 | 31st March ,<br>2021 | 31st March ,<br>2020 |
| <b>Total Equity (Share Holder Fund/ Partner's capital) as per audited financials (A)</b> | 1,445.40             | 515.29               | 445.84               |
| -Opening Share Holder Fund/ Partner's capital adjustments as on 01.04.2019               |                      |                      |                      |
| (i) Loss allowance on Financial Assets   | -                    | -                    | (14.38)              |
| (ii) Buildings in name of partners removed from opening block                            |                      |                      | (51.67)              |
| (ii) Tax Impacts on above  | -                    | -                    | 4.49                 |
| <b>Total (B)</b>   | <b>-</b>             | <b>-</b>             | <b>(61.56)</b>       |
|  |                      |                      |                      |
| Impact on statement of Profit & loss   | 32.47                | (78.15)              | (8.01)               |
| Cumulative adjustments/Re-classification of Share Holder Fund/ Partner's capital         | (21.56)              | (3.19)               | (2.05)               |
| <b>Total (D)</b>   | <b>10.91</b>         | <b>(81.34)</b>       | <b>(10.06)</b>       |
| <b>Restated total equity (A+B+C)</b>   | <b>1,456.31</b>      | <b>433.94</b>        | <b>374.21</b>        |

**a) Exemptions and exceptions availed**

Set out below are the applicable Ind AS optional exemptions and mandatory exceptions applied by the Company.

**(i) Ind AS optional exemptions**

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all of its Property, Plant and Equipment (PPE) and Investment Property as recognized in the financial statements as at the date of transition to Ind AS and use that as its deemed cost as at the date of transition after making necessary adjustments for decommissioning liabilities.

Accordingly, the Company as elected to measure all of its PPE and Investment Property at their previous carrying value as on 01.04.2019

**(ii) Ind AS Mandatory Exceptions****a) Estimates**

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1st April, 2019 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

**b) Classification and measurement of financial assets**

Ind AS requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

**b) Other Notes****(i) Material regrouping/ reclassification**

The company was earlier a partnership firm i.e M/s Aprameya Engineering. The same was converted to a company as on 27.12.2021. Thus, Appropriate adjustments have been made in the restated statement of assets and liabilities, restated statement of profit and loss and restated statement of cash flows, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financial statements of the company as at and for the year ended 31 March 2022, 31 March 2021, 31 March 2020 prepared in accordance with Schedule III to the Act and the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (as amended).

**(ii) Depreciation and Amortisation**

The Company (erstwhile Partnership Firm) has followed method of Depreciation as mentioned in Section 32 of Income Tax Act, 1961. The Company has elected to follow the straight line method (SLM) of depreciation as per the useful life prescribed in Schedule II of the Companies Act, 2013. The difference on account of depreciation has been provided in the Restated financials Information.

**(iii) Loss allowance**

The company has recognised impairment loss on trade receivables based on the expected credit loss model as required by Ind AS 109. The company has also provided loss allowance on other financial assets.

**(iv) Retained Earnings**

Retained earnings as at 1st April, 2019 has been adjusted consequent to the above Ind AS adjustments.

**(v) Deferred tax**

Ind-AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind-AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not provided earlier.

**(vi) Actuarial Gain/ Loss**

As per Ind AS, the actuarial gains and losses form part of remeasurement of the net defined benefit of liability / asset which is recognised in other Comprehensive Income. Consequently, the tax effect of the same has also been recognised in Other Comprehensive Income under Ind AS instead of Profit and Loss.

**(vii) Other Comprehensive Income**

Under Ind AS, all items of income and expense recognized in a period should be included in Statement of Profit and Loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognized in Statement of Profit and Loss but are shown in the Statement of Profit and Loss as "Other Comprehensive Income", includes remeasurement of Employee Benefit obligation and fair valuation of Equity Instruments through OCI and Income tax relating to these items.

**44. Additional Regulatory Information to be disclosed as per Schedule III of the Companies Act, 2013****A. The company holds all the title deeds of immovable property in its name except following properties.**

| SN | Relevant Note to Restated Financial Statement | Description and Gross carrying value as on 31.03.22 | Title deeds held in the name of | Whether title deed holder is a promoter, director or relative# of promoter* / director or employee of promoter / director | Property held since which date | Reason for not being held in the name of the company |
|----|---|---|---------------------------------|---|--------------------------------|--|
|    |   |   |                                 |   |                                |  |

|   |            |   |   |    |            |   |
|---|------------|---|---|----|------------|---|
| 1 | Note No.3  | 1. Leasehold Land - Gross Carrying Value ₹. 101.21 Lakhs      | M/s Aprameya Engineering (Erstwhile Partnership firm) | No | 12/05/2021 | The title deeds of the properties were held in the name of erstwhile partnership firm. Further, as per section 368 of Companies Act 2013, all the assets and liabilities of the firm vests in the hands of the company on registration under the Act. |
| 2 | Note No. 4 | 2. Investment Properties - Gross Carrying Value ₹. 7.81 Lakhs | M/s Aprameya Engineering (Erstwhile Partnership firm) | No | 22/11/2010 |   |

**B. The company does not have any transactions with companies struck off except following transactions, as per the information available with the company.**

| SN | Name of the Struck off Companies   | Nature of transactions with struck off company | Balance outstanding | Relationship with the struck off company, if any |
|----|--|--|---------------------|--|
| 1  | Helios Universal Logistics and Securities Pvt Ltd(Under process of Striking off) | Purchases                                      | 0.36                | Trade payables                                   |

**C. Financial Ratios**

(₹ in Lakhs, except as stated)

| Sr. No. | Ratio / Measure                         | Formula   | 31st March , 2022  | 31st March , 2021 | 31st March , 2020 |
|---------|---|---|--|-------------------|-------------------|
| 1       | Current Ratio                           | Current Assets / Current Liabilities                            | <u>4,260.73</u>  | <u>857.19</u>     | <u>1,170.25</u>   |
|         |   |   | 2,068.75   | 594.44            | 1,017.42          |
|         |   | <b>Ratio (in Times)</b>   | <b>2.06</b>  | <b>1.44</b>       | <b>1.15</b>       |
|         |   | <b>Variance</b>   | <b>43%</b>   | <b>25%</b>        |                   |
|         |   | <b>Reason</b>   | Increase in turnover and Favourable Business Conditions          |                   |                   |
| 2       | Debt Equity Ratio                       | Debt / Total Shareholder Equity                                 | <u>1,368.28</u>  | <u>148.27</u>     | <u>403.22</u>     |
|         |   |   | 1,456.31   | 433.95            | 374.21            |
|         |   | <b>Ratio (in Times)</b>   | <b>0.94</b>  | <b>0.34</b>       | <b>1.08</b>       |
|         |   | <b>Variance</b>   | <b>(175%)</b>  | <b>68%</b>        |                   |
|         |   | <b>Reason</b>   | Due to increase in unsecured loan from Directors of the company. |                   |                   |
| 3       | Debt Service Coverage Ratio             | Earnings Available for Debt Service/Finance cost Plus Principal | <u>2,431.69</u>  | <u>165.33</u>     | <u>78.10</u>      |
|         |   |   | 27.89  | 3.58              | -                 |
|         |   | <b>Ratio (in Times)</b>   | <b>87.19</b>   | <b>46.18</b>      | <b>N.A</b>        |
|         |   | <b>Variance</b>   | <b>89%</b>   | <b>0.00%</b>      |                   |
|         |   | <b>Reason</b>   | Improvement in ratio due to increase in profits                  |                   |                   |
| 4       | Return on Equity / Return on Investment | NPAT/ Average Shareholders' equity                              | <u>1,661.28</u>  | <u>86.00</u>      | <u>65.42</u>      |
|         |   |   | 945.13   | 404.08            | 299.97            |
|         |   | <b>Ratio (in Times)</b>   | <b>1.76</b>  | <b>0.21</b>       | <b>0.22</b>       |
|         |   | <b>Variance</b>   | <b>726%</b>  | <b>(2%)</b>       |                   |
|         |   | <b>Reason</b>   | Due to increase in turnover and profits                          |                   |                   |
| 5       | Inventory Turnover Ratio                | Net Sales / Average Inventory                                   | <u>19,888.79</u>   | <u>2,333.77</u>   | <u>986.35</u>     |
|         |   |   | 548.57   | 416.84            | 393.85            |
|         |   | <b>Ratio (in Times)</b>   | <b>36.26</b>   | <b>5.60</b>       | <b>2.50</b>       |

|    |                                 |  |  |                 |                 |
|----|---------------------------------|--|--|-----------------|-----------------|
|    |                                 | <b>Variance</b>  | <b>548%</b>  | <b>124%</b>     |                 |
|    |                                 | <b>Reason</b>  | Sale increased with Just in time delivery has reduced inventory holding period |                 |                 |
| 6  | Trade Receivable Turnover Ratio | Net Sales / Average Debtors  | <u>19,999.46</u>   | <u>2,593.16</u> | <u>1,223.24</u> |
|    |                                 |  | 1,539.98   | 511.15          | 624.18          |
|    |                                 | <b>Ratio (in Times)</b>  | <b>12.99</b>   | <b>5.07</b>     | <b>1.96</b>     |
|    |                                 | <b>Variance</b>  | <b>156%</b>  | <b>159%</b>     |                 |
|    |                                 | <b>Reason</b>  | Due to increase in Turnover and timely collection of Trade receivables         |                 |                 |
| 7  | Trade Payable Turnover Ratio    | Net Credit Purchase / Average Creditors                                | <u>15,797.11</u>   | <u>1,761.12</u> | <u>886.79</u>   |
|    |                                 |  | 1,111.96   | 475.04          | 505.05          |
|    |                                 | <b>Ratio (in Times)</b>  | <b>14.21</b>   | <b>3.71</b>     | <b>1.76</b>     |
|    |                                 | <b>Variance</b>  | <b>2.83</b>  | <b>1.11</b>     |                 |
|    |                                 | <b>Reason</b>  | Quick payment policy to get inventories in time                                |                 |                 |
| 8  | Net Capital Turnover Ratio      | Net Sale/ Average Working Capital                                      | <u>19,999.46</u>   | <u>2,593.16</u> | <u>1223.24</u>  |
|    |                                 |  | 1227.36  | 207.79          | 147.32          |
|    |                                 | <b>Ratio (in Times)</b>  | <b>16.29</b>   | <b>12.48</b>    | <b>8.30</b>     |
|    |                                 | <b>Variance</b>  | <b>31%</b>   | <b>50%</b>      |                 |
|    |                                 | <b>Reason</b>  | Increase in turnover, profits and quick realisation of funds                   |                 |                 |
| 9  | Net Profit Ratio                | NPAT/ Net Sale   | <u>1,661.28</u>  | <u>86.00</u>    | <u>65.42</u>    |
|    |                                 |  | 19,888.79  | 2,333.77        | 986.35          |
|    |                                 | <b>Ratio (in %)</b>  | <b>8.35%</b>   | <b>3.69%</b>    | <b>6.63%</b>    |
|    |                                 | <b>Variance</b>  | <b>127%</b>  | <b>(44%)</b>    |                 |
|    |                                 | <b>Reason</b>  | Increase in turnover and profitability   |                 |                 |
| 10 | Return on Capital Employed      | EBIT/ Capital Employed   | <u>2,503.07</u>  | <u>239.52</u>   | <u>180.92</u>   |
|    |                                 |  | 2,809.37   | 570.98          | 756.29          |
|    |                                 | <b>Ratio (in %)</b>  | <b>89.10%</b>  | <b>41.95%</b>   | <b>23.92%</b>   |
|    |                                 | <b>Variance</b>  | <b>112%</b>  | <b>75%</b>      |                 |
|    |                                 | <b>Reason</b>  | Increase in turnover and profitability   |                 |                 |
| 11 | Return on Investment            | Income from Investment / Average Invested funds in Treasury Investment | <u>8.74</u>  | <u>3.90</u>     | <u>2.69</u>     |
|    |                                 |  | 150.64   | 63.86           | 50.30           |
|    |                                 | <b>Ratio (in %)</b>  | <b>5.80%</b>   | <b>6.11%</b>    | <b>5.35%</b>    |
|    |                                 | <b>Variance</b>  | <b>(5%)</b>  | <b>14%</b>      |                 |
|    |                                 | <b>Reason</b>  | Due to reduction in rate of interest   |                 |                 |

Notes:

EBIT = Profit before Tax Finance Cost

Capital Employed = Total Shareholder's Fund + Non-Current Borrowing + Short Term Borrowing-Deferred Tax Assets

#### Trade Payables Ageing Summary

(₹ in Lakhs)

| Particulars                | Outstanding for following periods from date of transaction |           |           |                   |          |
|----------------------------|--|-----------|-----------|-------------------|----------|
|                            | Less than 1 year   | 1-2 years | 2-3 Years | More than 3 Years | Total    |
| <b>As at 31 March 2022</b> |  |           |           |                   |          |
| MSME                       | 54.05  | -         | -         | -                 | 54.05    |
| Others                     | 1,730.23   | 0.74      | -         | 14.34             | 1,745.31 |
| Disputed Dues - MSME       | -  | -         | -         | -                 | -        |
| Disputed Dues - Others     | -  | -         | -         | -                 | -        |
| <b>As at 31 March 2021</b> |  |           |           |                   |          |
| MSME                       | 30.71  | -         | -         | -                 | 30.71    |

|                                |        |       |       |       |        |
|--------------------------------|--------|-------|-------|-------|--------|
| Others                         | 377.30 | -     | 1.35  | 15.19 | 393.84 |
| Disputed Dues - MSME           | -      | -     | -     | -     | -      |
| Disputed Dues - Others         | -      | -     | -     | -     | -      |
| <b>As at<br/>31 March 2020</b> |        |       |       |       |        |
| MSME                           | 41.39  | -     | -     | -     | 41.39  |
| Others                         | 416.18 | 44.60 | 23.35 | -     | 484.13 |
| Disputed Dues - MSME           | -      | -     | -     | -     | -      |
| Disputed Dues - Others         | -      | -     | -     | -     | -      |

**D. Trade Receivable Ageing Schedule**

(₹ in Lakhs)

| Particulars  | Outstanding for following periods from Invoice date as on 31.03.2022 |                     |           |           |                      |          |
|--|--|---------------------|-----------|-----------|----------------------|----------|
|  | Less than<br>6 months  | 6 month -<br>1 Year | 1-2 Years | 2-3 Years | More than<br>3 years | Total    |
| (i) Undisputed Trade receivables - considered good                                 | 2,340.07   | 116.75              | 139.45    | 31.34     | 62.12                | 2,689.73 |
| (ii) Undisputed Trade Receivables - which have significant increase in credit risk | -  | -                   | -         | -         | -                    | -        |
| (iii) Undisputed Trade Receivables - credit impaired                               | -  | -                   | -         | -         | -                    | -        |
| (iv) Disputed Trade Receivables - considered good                                  | -  | -                   | -         | -         | -                    | -        |
| (v) Disputed Trade Receivables - which have significant increase in credit risk    | -  | -                   | -         | -         | -                    | -        |
| (vi) Disputed Trade Receivables - credit impaired                                  | -  | -                   | -         | -         | -                    | -        |

(₹ in Lakhs)

| Particulars  | Outstanding for following periods from Invoice date as on 31.03.2021 |                     |           |           |                      |        |
|--|--|---------------------|-----------|-----------|----------------------|--------|
|  | Less than<br>6 months  | 6 month -<br>1 Year | 1-2 Years | 2-3 Years | More than<br>3 years | Total  |
| (i) Undisputed Trade receivables - considered good                                 | 163.54   | 128.26              | 36.47     | 82.61     | 19.38                | 430.26 |
| (ii) Undisputed Trade Receivables - which have significant increase in credit risk | -  | -                   | -         | -         | -                    | -      |
| (iii) Undisputed Trade Receivables - credit impaired                               | -  | -                   | -         | -         | -                    | -      |
| (iv) Disputed Trade Receivables - considered good                                  | -  | -                   | -         | -         | -                    | -      |
| (v) Disputed Trade Receivables - which have significant increase in credit risk    | -  | -                   | -         | -         | -                    | -      |
| (vi) Disputed Trade Receivables - credit impaired                                  | -  | -                   | -         | -         | -                    | -      |

**Trade Receivable Ageing Schedule**

(₹ in Lakhs)

| Particulars  | Outstanding for following periods from Invoice date as on 31.03.2020 |                     |           |           |                      |        |
|--|--|---------------------|-----------|-----------|----------------------|--------|
|  | Less than<br>6 months  | 6 month -<br>1 Year | 1-2 Years | 2-3 Years | More than<br>3 years | Total  |
| (i) Undisputed Trade receivables - considered good                                 | 386.70   | 57.30               | 148.05    | 5.63      | 27.66                | 625.34 |
| (ii) Undisputed Trade Receivables - which have significant increase in credit risk | -  | -                   | -         | -         | -                    | -      |
| (iii) Undisputed Trade Receivables - credit impaired                               | -  | -                   | -         | -         | -                    | -      |

|   |   |   |   |   |   |   |
|---|---|---|---|---|---|---|
| (iv) Disputed Trade Receivables<br>- considered good                                  | - | - | - | - | - | - |
| (v) Disputed Trade Receivables<br>- which have significant increase<br>in credit risk | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables<br>- credit impaired                                  | - | - | - | - | - | - |

**E. Others:**

- (i) The company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.
- (ii) The quarterly returns and statement of current assets filled by the company with Banks are generally in agreement with the books of account.
- (iii) The company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The company have not traded or invested in Crypto currency or Virtual Currency during the period/year.
- (v) The company have not advanced or loaned or invested funds to any other person(s) or entity (ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - (b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vi) The company have not received any fund from any person(s) or entity (ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:
  - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (vii) The company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (viii) The company is not declared as wilful defaulter by any bank or financial Institution or other lender.
- (ix) There is no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013

## OTHER FINANCIAL INFORMATION

The audited financial statements of our Company as at and for the Fiscals 2022, 2021 and 2020, respectively (“Company’s Financial Statements”) are available at <https://www.aelhealth.com/>.

Our Company is providing these links to its website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Company’s Financial Statements do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere. The Company’s Financial Statements should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company, or any entity in which its shareholders have significant influence (collectively, the “Group”) and should not be relied upon or used as a basis for any investment decision. None of the Group or any of its advisors, nor the BRLM or the Promoters, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Company’s Financial Statements, or the opinions expressed therein. The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below:

| Particulars  | March 31, 2022 | March 31, 2021 | March 31, 2020 |
|--|----------------|----------------|----------------|
| Weighted average no. of equity shares outstanding during the period/ year -For basic earnings per equity share   | 1,40,00,000    | 1,40,00,000    | 1,40,00,000    |
| Weighted average no. of equity shares outstanding during the period/ year -For Diluted earnings per equity share | 1,40,00,000    | 1,40,00,000    | 1,40,00,000    |
| Basic Earnings/ (loss) per Equity Share (₹)  | 11.87          | 0.61           | 0.47           |
| Diluted Earnings/ (loss) per Equity Share (₹)  | 11.87          | 0.61           | 0.47           |
| Return on Net worth (%)  | 114.08         | 19.82          | 17.48          |
| Net Asset Value Per Equity Share (₹)   | 10.40          | 3.10           | 2.67           |
| Earnings before interest, tax, depreciation and amortisation (EBITDA) (₹ in lakhs)                               | 2,475.42       | 227.87         | 144.58         |

The ratios have been computed as under:

- *Basic and diluted earnings/ (loss) per equity share: Basic and diluted earnings/ (loss) per equity share are computed in accordance with Indian Accounting Standard 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended).*
- *The equity shares are issued to partners of the erstwhile firm i.e M/s Aprameya Engineering on its conversion to private limited company. The shares were issued at par against the Fixed capital of partners outstanding as on date of conversion i.e 27.12.2021. The company has allotted 70,00,000 equity shares as fully paid-up bonus shares in the ratio of 1:1 on 06.08.2022. Thus the EPS of the company for the previous year is restated after considering the bonus issue of Equity shares. Further, as per Ind AS-33, if the number of ordinary or potential ordinary shares outstanding increases as a result of a capitalisation, bonus issue or share split, or decreases as a result of a reverse share split, the calculation of basic and diluted earnings per share for all periods presented shall be adjusted retrospectively. Pursuant to the issue of bonus equity shares as mentioned above, the weighted average numbers of shares and consequently the basic and diluted earnings per share have been adjusted in the financial statements for all the earlier periods presented in the restated Financial statements.*
- *“Net worth” means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets and write-back of depreciation each as applicable for the Company on restated basis.*
- *Return on Networth is calculated as Restated Profit for the year attributable to the equity shareholders of the Company divided by net worth.*
- *Net asset value per share (attributable to equity holders) is calculated by dividing net worth by weighted average numbers of equity share outstanding during the respective year*
- *EBITDA is calculated as Restated Profit before tax plus interest expenses and depreciation and amortization expenses, less other income*

## **MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

*The following discussion of our financial condition and results of operations should be read in conjunction with our "Restated Financial Statements" beginning on page 152.*

*This Draft Red Herring Prospectus may include forward-looking statements that involve risks and uncertainties, and our actual financial performance may materially vary from the conditions contemplated in such forward-looking statements as a result of various factors, including those described below and elsewhere in this Draft Red Herring Prospectus. For further information, see "Forward-Looking Statements" on page 19. Also read "Risk Factors" and "Significant Factors Affecting our Results of Operations" beginning on pages 27 and 208 respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations.*

*Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the twelve months ended March 31 of that year. Unless otherwise indicated or the context otherwise requires, the financial information for Fiscals 2020, 2021 and 2022 included herein is derived from the Restated Financial Information, included in this Draft Red Herring Prospectus. For further information, see "Restated Financial Statements" on page 152.*

*Unless otherwise indicated or the context otherwise requires, in this section, references to "the Company" or "our Company" are to Aprameya Engineering Limited.*

*Unless otherwise indicated, industry and market data used in this section has been derived from the report ICU Set-Up And Maintenance Market Report prepared and issued by Reports & Data which has been exclusively commissioned and paid for by our Company for an agreed fee for the purposes of confirming our understanding of the industry in connection with the Issue. Also see, "Certain Conventions, Presentation of financial, Industry and Market Data and Currency of Presentation – Industry and Market Data" on page 17.*

### **OVERVIEW**

Our Company is engaged in the business of installation, set up & maintenance of Intensive Care Units ("ICU"), Neonatal Intensive Care Units ("NICU"), Pediatric Intensive Care Units ("PICU"), Operation Theatre and prefabricated structure ward (hereinafter referred to as "Healthcare Infrastructure projects") in the hospitals and medical care centres on turnkey basis along with supply of high value healthcare equipment and diagnostic equipment to private hospitals, Government hospitals and medical practitioners. Over the years, on the basis of our knowledge and understanding of the requirements of medical practitioners, industry standards and utility of the medical equipment, we have evolved ourselves and developed our capabilities in offering end to end solutions in the field of healthcare services relating to ICU setup, operation theatre setup and providing medical equipment for easing operation related to patient treatment, monitoring and diagnosis by hospitals, medical practitioners and diagnostic service providers.

We started the business as a partnership firm on September 05, 2003 and have grown our business with the objective of delivering healthcare solutions focused on cost effectiveness and improved accessibility. We are engaged in selling of high value medical equipment as a dealer of medical equipment manufacturers and suppliers such as Johnson & Johnson Private Limited, Draeger India Private Limited, Philips India Limited, Siemens Healthcare Private Limited, Alan Electronic Systems Private Limited, Stryker India Private Limited, Akas Medical Equipment, Jai Bhawani Enterprises, SD Biosensor and many other medical equipment manufacturers. With the knowledge, experience and expertise of over one & half decade in delivering the medical devices for patient care at reasonable outlay, we have during the year 2020 expanded our business activity by providing turnkey healthcare infrastructure solution by setting-up of ICU, NICU, PICU, operation theater projects and prefabricated structure ward on turnkey basis. Our medical and healthcare infrastructure solution include designing & installation of modular & prefabricated operation theatre & ICU, operating rooms & intensive care pendants, LED operating lights & OT tables, high care hospital beds, setting up of medical gas pipeline solutions, high value equipment like ventilators, multipara patient monitoring system, critical care equipment, diagnostic equipment, CSSD equipment and setting up of mini laboratories within the ICUs.

Our portfolio of products and services can be classified into two different segments i.e. setting up of healthcare infrastructure within the hospitals and medical care centres and dealing in high value medical equipment. We provide need based medical equipment to hospitals, medical practitioners, and diagnostic service providers, including patient monitoring systems, cardiology devices, respiratory management systems and radiology/ imaging systems. Some of the major critical care products as supplied by us include Harmonic ultrasonic surgical instruments, patient monitoring systems, ventilator, ventilator (NIV), ABG machine, integrated electro-surgical units and anesthesia delivery systems etc. We have over the years worked on maintaining healthy relationship with our customers through timely delivery of the medical equipment at

reasonable cost. These relationships has enabled us to create a wide customer base of doctors, medical practitioners, private and government hospitals, medical colleges including AIIMS (All India Institute Medical Science) and diagnostic service providers across the country.

We started the business of setting up of ICUs and operation theatres in 2020, and have since then completed the installation of around 1181 critical care beds including ICUs, NICUs, PICUs and modular operation theatre across the state of Rajasthan amounting to over ₹ 12,000 Lakhs. These healthcare infrastructure projects have been undertaken for different government hospital namely Dr. S N Medical College - Jodhpur, Government Medical College - Kota, RMSCL - Jaipur, RNT Medical College - Udaipur and SMS Medical College – Jaipur. We are currently working on 11 projects for different government and private hospitals namely Government Medical College & Hospital Dungarpur (Rajasthan), RNT Medical College & Controller (Associated Group of Hospitals, Udaipur, (Raj.)), SMS Medical College, Jaipur, Government Medical College & Controller A.G. of Hospital, Kota, Government Medical College, Pali, Barmer, Jhalawar and DR. S N Medical College, Jodhpur, MGH Hospital.

We are led by our experienced Promoters Saurabh Kishorbhai Bhatt & Chetan Mohan Joshi, who are supported by our team of experienced senior management, engineers and other personnel. Our Promoters, Saurabh Kishorbhai Bhatt & Chetan Mohan Joshi, have an experience of over 18 years in the field of dealing in high-value medical equipment. We have gained from the sound knowledge and experience of our Promoters pertaining to marketing, understanding of technical specification & utility of high value medical equipment along with the industry standards applicable to the medical industry. Under the leadership and guidance of our Promoters, we have evolved from a small organization into a successful company engaged in providing healthcare infrastructure solutions to the needs of the healthcare sector by delivering medical equipment.

## **SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS**

Our financial performance and results of operations are influenced by a number of important factors, some of which are beyond our control, including without limitation, intense competition, general economic conditions, changes in conditions in the regional markets in which we operate, changes in costs of supplies and evolving government regulations and policies. Some of the more important factors are discussed below, as well as in the section titled “Risk Factors” on page 27.

### ***Growth in the number of Turnkey Projects***

During the year 2020, we have expanded our business activity by providing turnkey healthcare infrastructure solution by setting-up of ICU, NICU, PICU and operation theater projects on turnkey basis. Our medical and healthcare infrastructure solution include designing & installation of modular & prefabricated operation theatre & ICU, operating rooms & intensive care pendants, LED operating lights & OT tables, high care hospital beds, setting up of medical gas pipeline solutions, high value equipment like Ventilators, multipara patient monitoring system, critical care equipment, diagnostic equipment, CSSD equipment and setting up of mini laboratories within the ICUs. The growth in the number of projects and government spending on the development of turnkey projects are very critical for growth in our results of operation.

### ***Availability and cost of medical equipment***

Cost and availability of medical equipment constitutes the most significant portion of our expenditures in Fiscals 2020, 2021 and 2022. Our business prospects, financial and operational performance, are significantly dependent on the movement of prices of these equipment, as well as any changes in global price indices. Equipment pricing can be volatile due to a number of factors beyond our control, including global demand and supply, general economic and political conditions, transportation and labor costs, labor unrest, natural disasters, competition, import duties, fuel prices, power tariffs and currency exchange rates, and there are inherent uncertainties in estimating such variables, regardless of the methodologies and assumptions that we may use. Further, the cost and availability of the medical equipment are also dependent on our ongoing and future relationship with the equipment suppliers and manufacturers.

### ***Relationship with our customers***

We have over the years developed a customer base which includes various private, government hospitals and medical colleges, medical practitioners and diagnostic service providers. Further, we have also undertaken setting up of ICUs and operation theatre in the state of Rajasthan for various Government Hospital, which has helped us in building relationship with these customers. Any change in the capital outlay by our customers or the shifting of government focus from the development and advancement of the healthcare infrastructure will particularly affect our revenue from operations.

## **Competition**

We compete with different companies depending on the market and type of products. Some of our competitors are larger than us and have greater financial and other resources. Consequently, our competitors may possess wider ranges, larger sales teams and greater intellectual property resources. Our ability to negotiate price with our customers is also impacted by such competition. Our ability to compete as well as offer competitive prices is dependent on our ability to procure the said equipment at reasonable terms. As we continue to expand our operations into new geographies, we will be continue to be exposed to competition from newer players.

## **PRESENTATION OF FINANCIAL INFORMATION**

Our restated Ind AS Statements of Assets and Liabilities as at March 31, 2022, March 31, 2021 and March 31, 2020, and the restated Ind AS Statement of Profit and Loss (including other comprehensive income), cash flows and changes in equity for the years ended March 31, 2022, March 31, 2021 and March 31, 2020, together with the summary of significant accounting policies and explanatory information thereon (collectively, the “**Restated Financial Statements**”), have been derived from the audited Ind AS financial statements of the Company from December 28, 2021 to March, 31 2022 and the Special Purpose Ind AS Financial Statements of the erstwhile partnership firm for the period upto December 27, 2021 and for the financial years ended March 31, 2021 and March 31, 2020, in accordance with Ind AS notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and restated in accordance with the SEBI ICDR Regulations and the ICAI Guidance Note. For further information, see “*Financial Statements – Restated Financial Information – Note V - Significant Accounting Policies*” beginning on page 161.

## **SIGNIFICANT ACCOUNTING POLICIES**

The estimates used in the preparation of the Restated Financial Information are prudent and reasonable. Information about estimates and judgements made in applying accounting policies that have the most significant effect on the amounts recognized in the Restated Financial Statement are set forth below. For further information, see “*Financial Statements – Restated Financial Statements – Significant Accounting Policies*” on page 161.

### **A. Key Accounting Estimates, Assumptions and Management Judgments:**

In preparing the financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Any revision to such estimates is recognized in the period in which the same is determined.

Estimates and assumptions are reviewed on an ongoing basis. Any change in these estimates and assumptions will generally be reflected in the financial statements in current period or prospectively, unless they are required to be treated retrospectively under relevant accounting standard.

### **B. Current and Non-Current classification:**

All assets and liabilities are classified as current or non-current as per the Company’s normal operating cycle, and other criteria set out in Schedule III of the Companies Act, 2013. Based on the nature of products and the time lag between the acquisition of assets for processing and their realisation in cash and cash equivalents, 12 month period has been considered by the Company as its normal operating cycle.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent, unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when it is:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

### **C. Property, Plant and Equipment**

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property plant and equipment recognized as at April 1, 2019 and the same is considered as a deemed cost of PPE.

For the purpose of Restated Financial Information for the financial years ended March 31 2022, 2021 and 2020 , the Company has provided depreciation based on the estimated useful life of respective years and as the change in estimated useful life is considered as change in estimate, accordingly there is no impact of this roll back.

#### **Recognition and measurement**

Property, plant and equipment are recorded at cost of acquisition/construction less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for, as separate items (major components) of property, plant and equipment.

Borrowing costs directly attributable to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

Spare parts are treated as capital assets when they meet the definition of property, plant and equipment. Otherwise, such items are classified as inventory.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for, as separate items (major components) of property, plant and equipment. Any gains or losses on their disposal, determined by comparing sales proceeds with carrying amount, are recognised in the Statement of Profit or Loss.

#### **Subsequent Expenditure**

Subsequent expenditure on major maintenance or repairs includes the cost of the replacement of parts of assets and overhaul costs. Where an asset or part of an asset is replaced and it is probable that future economic benefits associated with the item will be available to the Company, the expenditure is capitalized and the carrying amount of the item replaced is derecognized. Similarly, overhaul cost associated with major maintenance are capitalized and depreciated over their useful lives where it is probable that future economic benefits will be available and any remaining carrying amount of the cost of previous overhauls are derecognized. All other costs are expensed as incurred.

#### **De-Recognition**

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of that asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and loss.

The residual values, useful lives and methods of depreciation of PPE are reviewed at each financial year end and changes if any are accounted in line with revisions to accounting estimates.

#### **Depreciation**

Depreciation on PPE is provided as per straight line method (SLM) as per the useful life prescribed in Schedule II of the Companies Act, 2013.

Under this method, the estimated useful lives, as specified in Schedule II of the Companies Act, 2013 are as follows

| <b>Category of Property, Plant and Equipment</b> | <b>Useful life in Years</b> |
|--|-----------------------------|
| Lease Hold Land                                  | 99                          |
| Office Equipment's                               | 5                           |
| Furniture and Fixtures                           | 10                          |
| Computers Equipment's                            | 3                           |
| Vehicles   | 8                           |

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each reporting date and adjusted prospectively, if appropriate.

### **Capital Work in Progress**

Plant and properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees and borrowing costs (for qualifying asset) capitalized in accordance with the Company's accounting policies. Such plant and Properties are classified and capitalized to the appropriate categories of Property, Plant and Equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date are classified as capital advances under "Other Non-Current Assets" and the cost of assets not put to use before such date is disclosed under 'Capital work-in-progress

### **Intangible Assets**

Intangible assets are recognized only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably. Intangible Assets are stated at cost of acquisition less accumulated amortization and accumulated impairment, if any.

### **Amortization**

Any expenditure capitalized is amortized on a straight-line basis over the period over which the benefit is derived by the company.

### **De - recognition of Intangible Assets**

Intangible asset is de-recognized on disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in the Statement of Profit and Loss when the asset is derecognized.

### **D. Impairment of Non-financial asset:**

Non-financial assets other than inventories and deferred tax assets are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. The recoverable amount is higher of the Assets or Cash-Generating Units (CGU's) (i) fair value less costs of disposal and (ii) its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using an appropriate discounting rate. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. In such cases, the Recoverable amount is determined for the Cash Generating Unit (CGU) to which the assets belong.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

### **Reversal of Impairment of assets**

Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Restated Statement of Profit and Loss under the head 'Other expenses'.

#### **E. Impairment of financial asset:**

The Group recognises loss allowances for expected credit losses on financial assets measured at amortised cost. At each reporting date, the Group assesses whether financial assets carried at amortised cost credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

Significant financial difficulty of the borrower or issuer;

- A breach of contract such as a default or being significantly past due;
- The restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise; or
- It is probable that the borrower will enter bankruptcy or other financial reorganization.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables. Under the simplified approach, the Company is not required to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime Expected credit losses ('ECL') together with appropriate Management's estimate of credit loss at each reporting date, from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the group of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

#### **Measurement of expected credit losses**

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfall (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

#### **Presentation of allowance for expected credit losses in the balance sheet**

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

#### **Write off**

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

#### **F. Non-Current Assets held for sale:**

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and sale is considered highly probable.

A sale is considered as highly probable when decision has been made to sell, assets are available for immediate sale in its present condition, assets are being actively marketed and sale has been agreed or is expected to be concluded within 12 months of the date of classification.

Assets held for sale are measured at the lower of carrying amount or fair value less costs to sell.

## **G. Investment properties**

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16 requirements for cost model. Free hold Land and Properties under construction are not depreciated.

### **Depreciation**

Based on technical evaluation, the Management believes a period of 26 years as representing the best estimate of the period over which investment properties (which are quite similar) are expected to be used. Accordingly, the Company depreciates investment properties over this period on a straight-line basis. This is near to the indicative useful life of relevant type of assets mentioned in Schedule II to the Companies Act 2013.

Any gain or loss on disposal of an investment property is recognised in statement of profit and loss.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property

(calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss in the period in which the property is derecognized.

## **H. Inventories:**

Inventories are stated at the lower of cost and net realisable value. Cost is ascertained on a weighted average basis. Costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value is the price at which the inventories can be realised in the normal course of business after allowing for the cost of conversion from their existing state to a finished condition and for the cost of marketing, selling and distribution. The comparison of cost and net realizable value is made on and item by item basis.

The net realizable value of work-in-progress is determined with reference to the net realizable value of related finished goods. Raw materials and other supplies held for use in production of inventories are not written down below cost except in cases where material prices have declined, and it is estimated that the cost of the finished products will exceed their net realizable value. Fixed production overheads are allocated on the basis of normal capacity of production facilities. Provisions are made to cover slow-moving and obsolete items based on historical experience of utilisation on a product category basis, which involves individual businesses considering their product lines and market conditions.

## **I. Leases**

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

### **As a lessee**

#### **(A) Lease Liability**

At the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using incremental borrowing rate.

#### **(B) Right-of-use assets**

Initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives.

### **Subsequent measurement**

#### **(A) Lease Liability**

Company measure the lease liability by (a) increasing the carrying amount to reflect interest on the lease liability; (b) reducing the carrying amount to reflect the lease payments made; and (c) remeasuring the carrying amount to reflect any reassessment or lease modifications.

(B) Right-of-use assets

Subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the underlying asset.

### **Impairment**

Right of use assets are evaluated for recoverability whenever events or Changes in circumstances indicate that their carrying amounts may not be recoverable. For the

purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the Recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

### **Short term lease:**

Short term lease is that, at the commencement date, has a lease term of 12 months or less. A lease that contains a purchase option is not a short-term lease. If the company elected to apply short term lease, the lessee shall recognise the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis. The lessee shall apply another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

### **J. Fair Value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or

In the absence of a principal market, in the most advantageous market which can be accessed by the Company for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the Restated Financial Information are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the Restated Financial Information on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

### **K. Financial instruments:**

Financial instruments are recognized when the Company becomes a party to the contractual provisions of the instrument.

#### **i. Financial Assets:**

**a) Initial recognition and measurement**

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date i.e, the date that the Company commits to purchase or sell the asset.

**b) Subsequent measurement**

For the purpose of subsequent measurement, financial assets are classified in three categories:

**c) Amortized Cost:**

A financial asset is subsequently measured at amortized cost if it is held within a business model with the objective of collecting the contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

Financial assets at amortized cost includes loans receivable, trade and other receivable and other financial assets that are held with the object of collecting contractual cash flows. After initial measurement at fair value, the financial assets are measured at amortized cost using the effective interest rate (EIR) method less impairment.

**d) Fair Value through Other Comprehensive Income:**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within the business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Movements in the carrying amount are taken through other comprehensive income, except for recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in the Statement of Profit and Loss.

**e) Fair Value through Profit or Loss:**

Financial assets, which are not classified in any of the above categories, are subsequently fair valued through profit or loss.

**f) De-recognition**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

**g) Impairment**

The Company recognizes loss allowance using the expected credit loss (ECL) model for the financial assets, which are not fair valued through profit or loss/OCI. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. Trade receivables are of short duration, normally less than twelve months and hence the loss allowance measured as lifetime ECL does not differ from that measured as twelve months ECL. For all other financial assets, expected credit losses are measured at an amount equal to the twelve months ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

**ii. Financial Liabilities:**

**a) Initial recognition and measurement**

The financial liabilities are classified at initial recognition as at fair value through profit or loss or as those measured at amortized cost. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

#### **b) Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

#### **c) Financial Liabilities at Fair Value through Profit or Loss (FVTPL)**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to profit or loss. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Restated Statement of Profit or Loss.

#### **d) Financial Liabilities at amortised cost**

Financial liabilities classified and measured at amortised cost such as loans and borrowings are initially recognized at fair value, net of transaction cost incurred. After initial recognition, financial liabilities are subsequently measured at amortised cost using the Effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Restated Statement of Profit and Loss.

#### **e) Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Restated Statement of Profit or Loss.

### **L. Derivative financial instruments**

The Company uses derivative financial instruments to manage exposure on account of fluctuation in interest rate and foreign exchange rates on amounts payable and receivable in foreign exchange. Such derivative financial instruments are not recognized in the financial statements. However, the difference between the rate at the end of the year to which the Restated Financial Information relate to and the rate at the time of maturity of the contract is recognized in Restated Statement of Profit and Loss.

Any gains or losses arising from changes in the fair value of derivatives are taken through Restated Statement of Profit and Loss.

### **M. Offsetting of financial instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company, or the counterparty.

### **N. Cash and Cash equivalents:**

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

### **Cash Flow Statement:**

Cash flow are reported using indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals of accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and finance activities of the Company are segregated.

#### **O. Foreign Currencies:**

##### **Initial Recognition**

The financial statements are presented in Indian Rupees which is the Company's functional and presentation currency.

##### **Conversion**

Transactions in foreign currencies are initially recorded at the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into functional currency at the rates prevailing on the reporting date.

Foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other gains/(losses).

#### **P. Revenue Recognition:**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue from the sale of goods is recognized at the point in time when control of the asset is transferred to the customer, generally on the delivery of the goods.

On the basis of the contractual terms with customers for projects, Revenue from project is recognised at a point in time or over time, based on satisfaction of performance obligation/s upon transfer of control of promised products or services to customers.

Revenue is recognisable to the extent of the amount that reflects the consideration (i.e. the transaction price) to which the Company is expected to be entitled in exchange for those goods or services excluding any amount received on behalf of third party (such as indirect taxes). The transaction price is determined on the basis of agreement or letter of allotment entered into with the customer.

The Company satisfies the performance obligation and recognises revenue over time, if one of the criteria prescribed under Ind AS 115 - "Revenue from Contracts with Customers" is satisfied. If a performance obligation is not satisfied over time, then revenue is recognised at a point in time at which the performance obligation is satisfied.

The Company recognises revenue for performance obligation satisfied over time only if it can reasonably measure its progress towards complete satisfaction of the performance obligation. The Company would not be able to reasonably measure its progress towards complete satisfaction of a performance obligation if it lacks reliable information that would be required to apply an appropriate method of measuring progress. In those circumstances, the Company recognises revenue only to the extent of cost incurred until it can reasonably measure outcome of the performance obligation.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing component and consideration payable to the customer like return and trade discounts.

This includes bonus, incentives, discounts etc. It is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved. It is reassessed at end of each reporting period.

Revenue from operations includes revenue earned on account of job work income which is accounted as per the terms agreed with the customers.

These are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the goods or services added to the existing contract are distinct and whether the pricing is at the standalone selling price. Goods or services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if additional goods or services are priced at the standalone selling price, or as a termination of existing contract and creation of a new contract if not priced at the standalone selling price.

Revenue from sale of scrap is recognized as and when scrap is sold.

## **Q. Other Income:**

### **Interest Income**

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on time basis and is included in other income in the Statement of Profit and Loss.

### **Export Incentives**

Export incentives available under prevalent schemes are recognized as income in the year of exports and when there is reasonable assurance that the Company will comply with the conditions and the incentives will be received.

The benefits accrued under the duty drawback scheme and Merchandise Export from India Scheme (MEIS) as per the Import and export Policy in respect of exports under the said scheme are recognized when there is a reasonable assurance that the benefit will be received and the company will comply with all attached conditions. The above benefit has been included under the head 'Export Incentives.'

### **Insurance Claims**

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

### **Commission Income**

Income on account of commission is accounted on accrual basis based on the Terms of Agreement.

### **Rental income**

Rental income arising from operating leases or on investment properties is accounted for on a straight-line basis over the lease terms and is included in other non-operating income in the Statement of Profit and Loss.

### **Dividend income**

Revenue is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

### **Other Income**

Other income is accounted for on accrual basis except where the receipt of income is uncertain in which case it is accounted for on receipt basis.

## **R. Employee Benefits:**

### **Short term employee benefits**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the services. These benefits include compensated absences such as paid annual leave, and performance incentives.

### **Defined Contribution plan**

Contribution to defined contribution scheme such as Provident fund are charged as an expense based on the amount of contribution expected to be made as and when services are rendered by the employees. The company does not have any further defined obligations beyond the monthly contributions.

### **Defined Benefit plan:**

Provision for gratuity for the staff is made on the basis of actuarial valuation and is charged to the Restated Statement of Profit and Loss

For defined benefit schemes, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in full in Other Comprehensive Income, for the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested, and is otherwise amortised on a straight line basis over the average period until the benefits become vested.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation and is adjusted both for unrecognised past service cost, and for the fair value of plan assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme, if lower.

### **Long term employee benefits**

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation determined actuarially by using Projected Unit Credit Method at the balance sheet date. The company has the policy to pay the leave encashment within Twelve months.

### **S. Borrowing Costs:**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowing Costs directly attributable to acquisition or construction of qualifying fixed assets are capitalized as part of cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

All other borrowing costs are charged to the Statement of Profit and Loss account in the year in which they are incurred.

### **T. Income taxes:**

The tax expense comprises of current income tax and deferred tax.

#### **Current Income Tax**

Income tax expense comprises of current tax and deferred tax. Income tax expense is recognized in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity/OCI, in which case it is recognized in Other Comprehensive Income. Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961 using the tax rates and tax laws that have been enacted or substantively enacted on the reporting date. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

#### **Deferred Tax**

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax

rates and laws that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax assets is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

#### **U. Provisions, Contingent Liabilities and Contingent Assets:**

##### **Provisions:**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, 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. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

##### **Contingent Liabilities:**

Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by the future events not wholly within the control of the company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

##### **Contingent Assets:**

Contingent Assets are not recognised but are disclosed in the notes to the financial statements.  
The Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

#### **V. Earnings Per Share:**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

#### **W. Segment Reporting**

The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the Managing Director or the Whole Time Director in deciding how to allocate resources and in assessing performance. Operating segments are reported in consistent manner with the internal reporting provided to the Managing Director or the Whole Time Director of the Company. They are responsible for allocating resources and assessing performance of the Company.

Unallocable items include general corporate income and expense items which are not allocated to any business segment.

#### **X. Exceptional items**

On certain occasions when the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly disclosed in the notes accompanying the financial statements.

#### **Y. Dividend**

Final dividend on shares is recorded as a liability on the date of approval by the shareholders and Interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

#### **a. Recent pronouncements**

The following standards / amendments to standards have been issued and will be effective from 1st April 2022. The Company is evaluating the requirements of these standards, improvements and amendments and has not yet determined the impact on the financial statements.

Indian Accounting Standard (Ind AS) 103 – Business Combinations – Qualifications prescribed for recognition of the identifiable assets acquired and liabilities assumed, as part of applying the acquisition method – should meet the definition of assets and liabilities in the Conceptual Framework for Financial Reporting under Ind AS (Conceptual Framework) issued by the ICAI at the acquisition date.

Modification to the exceptions to recognition principle relating to contingent liabilities and contingent assets acquired in a business combination at the acquisition date.

Indian Accounting Standard (Ind AS) 109 – Financial Instruments – Modification in accounting treatment of certain costs incurred on derecognition of financial liabilities

Indian Accounting Standard (Ind AS) 16 - Property, Plant and Equipment – Modification in treatment of excess of net sale proceeds of items produced over the cost of testing as part of cost of an item of property, plant, and equipment.

Indian Accounting Standard (Ind AS) 37 - Provisions, Contingent Liabilities and Contingent Assets – Modifications in application of recognition and measurement principles relating to onerous contracts.

#### **CHANGES IN ACCOUNTING POLICIES**

There were no changes in accounting policies during the years of Special purpose Ind AS financial statements.

#### **PRINCIPAL COMPONENTS OF STATEMENT OF PROFIT AND LOSS**

##### **Income**

Our total income comprises revenue from operations and other income. We generate majority of our revenue through the execution of the turnkey projects related to ICU and operation theatre setup, marketing and sales and service of medical equipment, consumable, diagnostic equipment and allied medical equipment.

##### **Revenue from Operations**

Revenue from operations comprises revenue from sale of products, revenue from turnkey projects like setting up of ICU and operation theatre, dealing in medical equipment, and service and maintenance of these equipment.

##### **Other Income**

Other income includes (i) interest income on bank deposits and income tax refunds; (ii) rent income; (iii) sundry balance written off.

##### **Expenses**

Our expenses comprise (i) purchases of stock-in-trade; (ii) Turnkey project expenses; (iii) changes in inventories of finished goods and work-in-progress; (iv) employee benefits expense; (v) finance costs; (vi) depreciation and amortisation expense; and (vii) other expenses.

##### **Purchases of Stock-In-Trade**

Purchase of stock-in-trade consists primarily of our purchases related to the medical equipment

##### **Turnkey project expenses**

Turnkey project expenses consists of project supplies and project direct expenses such as installation charges, civil work and labour works expenses, project labour etc.

#### **Changes in Inventories of Finished Goods and Work-in Progress**

Changes in inventories of finished goods and work-in-progress denotes increase/ decrease in inventories of finished goods and work in progress between opening and closing dates of a reporting period.

#### **Employee Benefit Expense**

Employee benefit expenses primarily includes (i) salaries wages and other expenses; (ii) contributions to statutory fund; and (iii) staff welfare expenses.

#### **Finance Cost**

Finance cost includes interest on bank and financial institution borrowings and other borrowings; and (ii) other borrowing costs.

#### **Depreciation and Amortization expenses**

Depreciation and amortization expenses primarily include depreciation expenses on our property, plant and equipment including buildings, furniture and fixtures, office equipment, computer equipment and vehicles.

#### **Other Expenses**

Other expenses comprises (i) auditor remuneration; (ii) electricity expenses; (iii) repairs and maintenance expenses; (iv) rent expenses; (v) installation expenses; (vi) directors' remuneration; (vii) installation expenses; (viii) insurance expenses; (ix) legal and professional expenses; (x) commission expenses; (xi) loss on sale of assets; (xii) rates & taxes; (xiii) travelling & conveyance expenses; (xiv) selling and distribution expenses; (xv) bad debts; (xvi) loss allowance on deposits; (xvii) loss allowance on trade receivable; (xviii) warranty expenses; and (xiv) other miscellaneous expenses.

### **RESULTS OF OPERATIONS INFORMATION BASED ON THE RESTATED FINANCIAL INFORMATION**

The following table sets forth certain information with respect to our results of operations for Fiscal 2022, Fiscal 2021 and Fiscal 2020:

*₹ in lakhs unless stated otherwise*

| Particulars   | Fiscal 2022      |                   | Fiscal 2021     |                   | Fiscal 2020     |                   |
|---|------------------|-------------------|-----------------|-------------------|-----------------|-------------------|
|   | Amount           | % of Total Income | Amount          | % of Total Income | Amount          | % of Total Income |
| <b>INCOME</b>   |                  |                   |                 |                   |                 |                   |
| Revenue from Operations                                       | 19,999.46        | 99.87%            | 2,593.16        | 99.69%            | 1,223.24        | 99.25%            |
| Other Income  | 26.73            | 0.13%             | 8.07            | 0.31%             | 9.27            | 0.75%             |
| <b>Total Income</b>   | <b>20,026.19</b> | <b>100.00%</b>    | <b>2,601.23</b> | <b>100.00%</b>    | <b>1,232.51</b> | <b>100.00%</b>    |
| <b>EXPENSES</b>   |                  |                   |                 |                   |                 |                   |
| Purchase of stock in trade                                    | 6,805.34         | 33.98%            | 930.21          | 35.76%            | 886.79          | 71.95%            |
| Turnkey project expenses                                      | 8,991.78         | 44.90%            | 830.92          | 31.94%            | 0.00            | 0.00%             |
| Changes in inventories of finished goods and work-in-progress | (390.59)         | (1.95%)           | 127.15          | 4.89%             | (173.13)        | (14.05%)          |
| Employee benefits expenses                                    | 310.58           | 1.55%             | 190.51          | 7.32%             | 178.77          | 14.50%            |
| Finance cost  | 91.75            | 0.46%             | 86.57           | 3.33%             | 90.46           | 7.34%             |
| Depreciation and amortization expenses                        | 10.49            | 0.05%             | 8.80            | 0.34%             | 6.68            | 0.54%             |
| Other expenses  | 1,795.54         | 8.97%             | 274.13          | 10.54%            | 171.51          | 13.92%            |
| <b>Total expenses</b>   | <b>17,614.89</b> | <b>87.96%</b>     | <b>2448.29</b>  | <b>94.12%</b>     | <b>1,161.08</b> | <b>94.20%</b>     |
| <b>Profit/ (Loss) before tax</b>                              | <b>2,411.32</b>  | <b>12.04%</b>     | <b>152.95</b>   | <b>5.88%</b>      | <b>71.42</b>    | <b>5.79%</b>      |

|  |                 |               |               |               |              |              |
|--|-----------------|---------------|---------------|---------------|--------------|--------------|
| <b>Tax expense</b>   |                 |               |               |               |              |              |
| (a) Current tax  | 753.50          | 3.76%         | 57.01         | 2.19%         | 22.65        | 1.84%        |
| (b) Deferred tax   | (3.47)          | (0.02%)       | 9.94          | 0.38%         | (16.65)      | (1.35%)      |
| <b>Total tax expense</b>   | <b>750.03</b>   | <b>3.75%</b>  | <b>66.95</b>  | <b>2.57%</b>  | <b>6.00</b>  | <b>0.49%</b> |
| <b>Profit/ (Loss) after tax for the period</b>   | <b>1,661.29</b> | <b>8.30%</b>  | <b>86.00</b>  | <b>3.31%</b>  | <b>65.42</b> | <b>5.31%</b> |
| <b>Other comprehensive income</b>  |                 |               |               |               |              |              |
| <b>(i) Items that will not be reclassified to profit or loss</b>                         |                 |               |               |               |              |              |
| Re-measurements of the defined benefit plans   | (2.05)          | (0.01)        | (0.18)        | (0.01)        | 0.00         | 0.00         |
| <b>(ii) Income tax relating to items that will not be reclassified to profit or loss</b> |                 |               |               |               |              |              |
| Re-measurements of the defined benefit plans   | 0.52            | 0.00          | 0.04          | 0.00          | 0.00         | 0.00         |
| <b>Total other comprehensive (loss)/ income for the year (net of tax)</b>                | <b>(1.53)</b>   | <b>(0.01)</b> | <b>(0.14)</b> | <b>(0.00)</b> | <b>0.00</b>  | <b>0.00</b>  |
| <b>Total comprehensive income</b>  | <b>1659.76</b>  | <b>8.29%</b>  | <b>85.86</b>  | <b>3.30%</b>  | <b>65.42</b> | <b>5.31%</b> |

## NON-GAAP MEASURES

### Earnings before Interest, Taxes, Depreciation and Amortization Expenses (“EBITDA”)/ EBITDA Margin

EBITDA Margin presented in this Draft Red Herring Prospectus is a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. Further, EBITDA is not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. In addition, EBITDA is not standardised term, hence a direct comparison of EBITDA between companies may not be possible. Other companies may calculate EBITDA differently from us, limiting its usefulness as a comparative measure. Although EBITDA is not a measure of performance calculated in accordance with applicable accounting standards, our Company’s management believes that it is useful to an investor in evaluating us as it is widely used measures to evaluate a company’s operating performance.

### Based on the Restated Financial Information

₹ in lakhs, except for ratios and percentages

| Particulars                  | Fiscal 2022 | Fiscal 2021 | Fiscal 2020 |
|------------------------------|-------------|-------------|-------------|
| EBITDA <sup>(1)</sup>        | 2,475.42    | 227.87      | 144.58      |
| EBITDA Margin <sup>(1)</sup> | 12.38%      | 8.79%       | 11.82%      |

### (1) EBITDA and EBITDA Margin

The table below reconciles Restated Profit for the Year to EBITDA. EBITDA is calculated as Profit for the Year/ Period, plus total Tax Expenses, Interest expenses and depreciation and amortization expenses, less other income, while EBITDA Margin is the percentage of EBITDA divided by revenue from operations.

₹ in lakhs, except for percentages

| Particulars                                     | Fiscal 2022     | Fiscal 2021   | Fiscal 2020   |
|---|-----------------|---------------|---------------|
| <b>Restated profit for the year (I)</b>         | <b>1,661.29</b> | <b>86.00</b>  | <b>65.42</b>  |
| Add: Total Tax Expense (II)                     | 750.03          | 66.95         | 6.00          |
| Add: Interest Expenses (III)                    | 80.34           | 74.19         | 75.75         |
| Add: Depreciation and Amortisation expense (IV) | 10.49           | 8.80          | 6.68          |
| Less: Other Income (V)                          | (26.73)         | (8.07)        | (9.27)        |
| <b>EBITDA (VI = I + II +III+IV-V)</b>           | <b>2,475.42</b> | <b>227.87</b> | <b>144.58</b> |
| Revenue from Operation                          | 19,999.46       | 2,593.16      | 1,223.24      |

|                             |        |       |        |
|-----------------------------|--------|-------|--------|
| <b>EBITDA Margin (VI/I)</b> | 12.38% | 8.79% | 11.82% |
|-----------------------------|--------|-------|--------|

## RESULTS OF OPERATIONS INFORMATION FOR THE FISCAL 2022 COMPARED WITH FISCAL 2021

₹ in lakhs unless stated otherwise

| Particulars  | Fiscal 2022      | Fiscal 2021     | Change %         |
|--|------------------|-----------------|------------------|
| <b>INCOME</b>  |                  |                 |                  |
| Revenue from Operations  | 19,999.46        | 2,593.16        | 671.24%          |
| Other Income   | 26.73            | 8.07            | 231.23%          |
| <b>Total Income (I)</b>  | <b>20,026.19</b> | <b>2,601.23</b> | <b>669.87%</b>   |
| <b>EXPENSES</b>  |                  |                 |                  |
| Purchase of stock in trade   | 6,805.34         | 930.21          | 631.59%          |
| Turnkey project expenses   | 8,991.78         | 830.92          | 982.15%          |
| Changes in inventories of finished goods and work-in-progress                            | (390.59)         | 127.15          | (407.19%)        |
| Employee benefits expenses   | 310.58           | 190.51          | 63.03%           |
| Finance cost   | 91.75            | 86.57           | 5.98%            |
| Depreciation and amortization expenses   | 10.49            | 8.80            | 19.20%           |
| Other expenses   | 1795.54          | 274.13          | 555.00%          |
| <b>Total expenses (II)</b>   | <b>17,614.89</b> | <b>2,448.29</b> | <b>619.48%</b>   |
| <b>Profit/ (Loss) before tax (I+II)</b>  | <b>2,411.32</b>  | <b>152.95</b>   | <b>1,476.54%</b> |
| <b>Tax Expense:</b>  |                  |                 |                  |
| (a) Current tax  | 753.5            | 57.01           | 1221.70%         |
| (b) Deferred tax   | (3.47)           | 9.94            | (134.91)%        |
| <b>Total tax expense</b>   | <b>750.03</b>    | <b>66.95</b>    | <b>1,020.28%</b> |
| <b>Profit/ (Loss) after tax for the period</b>   | <b>1,661.29</b>  | <b>86.00</b>    | <b>1,831.73%</b> |
| <b>Other comprehensive income</b>  |                  |                 |                  |
| <b>(i) Items that will not be reclassified to profit or loss</b>                         |                  |                 |                  |
| Remeasurements of the defined benefit plans  | (2.05)           | (0.18)          | 1038.89%         |
| <b>(ii) Income tax relating to items that will not be reclassified to profit or loss</b> |                  |                 |                  |
| Remeasurements of the defined benefit plans  | 0.52             | 0.04            | 1200.00%         |
| <b>Total other comprehensive (loss)/ income for the year (net of tax)</b>                | <b>(1.53)</b>    | <b>(0.14)</b>   | <b>992.86%</b>   |
| <b>Total comprehensive income</b>  | <b>1,659.76</b>  | <b>85.86</b>    | <b>1,833.10%</b> |

### Income

Our total income has increased significantly by 669.87% to ₹20,026.19 lakhs in Fiscal 2022 from ₹2,601.23 lakhs in Fiscal 2021. The main reason for increase in Income was due to increase in the revenue from turnkey project and traded goods.

### Revenue from Operations

Our revenue from operations increased significantly by 671.24% to ₹19,999.46 lakhs in Fiscal 2022 from ₹2,593.16 lakhs in Fiscal 2021. The said increase is primarily due to increase of about 887.63% in the revenue from turnkey project and 617.26% in traded goods.

### Other Income

Our other income was ₹8.07 lakhs in Fiscal 2021, which has been increased by 231.23% to ₹26.73 lakhs which is primarily due to increase in the interest income on bank deposits and miscellaneous balances written back of ₹23.28 lakhs.

### Expenses

Our total expenses has also increased significantly by 619.48% to ₹17,614.89 lakhs in Fiscal 2022 from ₹2,448.29 lakhs in Fiscal 2021. The substantial increase in expenses is due to increase in Purchase of Stock in trade, Turnkey project expenses, and other expenses.

### Purchase of stock in trade

Purchase of stock-in-trade increased by 631.59% from ₹930.21 lakhs in Fiscal 2021 to ₹6,805.34 lakhs in Fiscal 2022, primarily due to increase in business volume and prices of traded goods.

#### ***Turnkey project expenses***

Our Turnkey project expenses has increased significantly by 982.15% to ₹8,991.78 lakhs in Fiscal 2022 from ₹830.92 lakhs in Fiscal 2021 primarily due to increase in the volume of projects received by the company.

#### ***Changes in inventories of finished goods and work-in-progress***

Changes in inventories of finished goods and work-in-progress decreased by 407.19% from ₹127.15 lakhs in Fiscal 2021 to ₹(390.59) lakhs in Fiscal 2022, primarily due to increase in closing stock in Fiscal 2022 as a result of an increase in the volume of products sold.

#### ***Employee benefits expenses***

Employee benefit expenses increased by 63.03% from ₹190.51 lakhs in Fiscal 2021 to ₹310.58 lakhs in Fiscal 2022, primarily due to an increase in salaries, wages and other expenses, by 57.60% from ₹181.65 lakhs in Fiscal 2021 to ₹286.28 lakhs in Fiscal 2022, primarily due to an increase in the number of employees together with annual increments in the salaries paid to our employees, which resultant an increase in various allowances attached with the salaries of the employees.

#### ***Finance cost***

Finance costs has increased marginally by 5.98% from ₹86.57 lakhs in Fiscal 2021 to ₹91.75 lakhs in Fiscal 2022 which consists of interest paid on bank and financial institution borrowings.

#### ***Depreciation and amortization expenses***

Depreciation, amortisation and impairment expenses increased by 19.20% from ₹8.80 lakhs in Fiscal 2021 to ₹10.49 lakhs in Fiscal 2022, primarily due to additions in property, plant and equipments.

#### ***Other expenses***

Other expenses increased by 555.00% from ₹274.13 lakhs in Fiscal 2021 to ₹1,795.54 lakhs in Fiscal 2022, due to increase in Installation expenses by 1,524.06% from ₹16.42 lakhs in Fiscal 2021 to ₹266.67 lakhs in Fiscal 2022; legal and professional expenses by 219.96% from ₹41.88 lakhs in Fiscal 2021 to ₹134.00 lakhs in Fiscal 2022; travelling & conveyance expenses by 197.19% from ₹19.60 lakhs in Fiscal 2021 to ₹58.25 lakhs in Fiscal 2022; directors remuneration by 1,620.18% from ₹65.40 lakhs in Fiscal 2021 to ₹1,125.00 lakhs in Fiscal 2022.

These increase were partly offset by decrease in rent expenses by 8.56% from ₹4.44 lakhs in Fiscal 2021 to ₹4.06 lakhs in Fiscal 2022; insurance expenses by 40.07% from ₹2.82 lakhs in Fiscal 2021 to ₹1.69 lakhs in Fiscal 2022; loss allowance on deposits by 87.80% from ₹4.10 lakhs in Fiscal 2021 to ₹0.50 lakhs in Fiscal 2022; loss allowances on trade receivables by 30.90% from ₹3.98 lakhs in Fiscal 2021 to ₹2.75 lakhs in Fiscal 2022.

#### ***Profit Before Tax***

For the reasons discussed above, profit before tax was significantly increased by 1476.54% to ₹2,411.32 lakhs in Fiscal 2022 as compared to ₹152.95 lakhs in Fiscal 2021.

#### ***Tax Expenses***

Current tax increased by 1221.70% from ₹57.01 lakhs in Fiscal 2021 as compared to ₹753.50 lakhs in Fiscal 2022. Deferred tax decreased by 134.91% from ₹9.94 lakhs in Fiscal 2021 as compared to ₹(3.47) lakhs in Fiscal 2022.

#### ***Profit After Tax***

For the various reasons discussed above, we recorded significant increase of 1831.73% in profit after tax from ₹86.00 lakhs in Fiscal 2021 as compared to ₹1,661.29 lakhs in Fiscal 2022.

### ***Total Comprehensive Income***

Total comprehensive income for the year was ₹1,659.76 lakhs in Fiscal 2022 compared to ₹85.86 lakhs in Fiscal 2021.

### ***Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA)***

EBITDA was ₹2,475.42 lakhs in Fiscal 2022 as compared to ₹227.87 lakhs in Fiscal 2021, while EBITDA margin (EBITDA as a percentage of our revenue from operations) was 12.38% in Fiscal 2022 as compared to 8.79% in Fiscal 2021.

### **RESULTS OF OPERATIONS INFORMATION FOR THE FISCAL 2021 COMPARED WITH FISCAL 2020**

| <b>₹ in lakhs unless stated otherwise</b>  |                    |                    |                 |
|--|--------------------|--------------------|-----------------|
| <b>Particulars</b>   | <b>Fiscal 2021</b> | <b>Fiscal 2020</b> | <b>Change %</b> |
| <b>INCOME</b>  |                    |                    |                 |
| Revenue from Operations  | 2,593.16           | 1,223.24           | 111.99%         |
| Other Income   | 8.07               | 9.27               | (12.94%)        |
| <b>Total Income (I)</b>  | <b>2,601.23</b>    | <b>1,232.51</b>    | <b>111.05%</b>  |
| <b>EXPENSES</b>  |                    |                    |                 |
| Purchase of stock in trade   | 930.21             | 886.79             | 4.90%           |
| Turnkey project expenses   | 830.92             | 0.00               | -               |
| Changes in inventories of finished goods and work-in-progress                            | 127.15             | (173.13)           | (173.44%)       |
| Employee benefits expenses   | 190.51             | 178.77             | 6.57%           |
| Finance cost   | 86.57              | 90.46              | (4.30%)         |
| Depreciation and amortization expenses   | 8.80               | 6.68               | 31.74%          |
| Other expenses   | 274.13             | 171.51             | 59.83%          |
| <b>Total expenses (II)</b>   | <b>2448.29</b>     | <b>1,161.08</b>    | <b>110.86%</b>  |
| <b>Profit/ (Loss) before tax (I+II)</b>  | <b>152.95</b>      | <b>71.42</b>       | <b>114.16%</b>  |
| <b>Tax Expense:</b>  |                    |                    |                 |
| (a) Current tax  | 57.01              | 22.65              | 151.70%         |
| (b) Deferred tax   | 9.94               | (16.65)            | (159.70%)       |
| <b>Total tax expense</b>   | <b>66.95</b>       | <b>6.00</b>        | <b>1015.83%</b> |
| <b>Profit/ (Loss) after tax for the period</b>   | <b>86.00</b>       | <b>65.42</b>       | <b>31.46%</b>   |
| <b>Other comprehensive income</b>  |                    |                    |                 |
| <b>(i) Items that will not be reclassified to profit or loss</b>                         |                    |                    |                 |
| Remeasurements of the defined benefit plans  | (0.18)             | 0.00               | -               |
| <b>(ii) Income tax relating to items that will not be reclassified to profit or loss</b> |                    |                    |                 |
| Remeasurements of the defined benefit plans  | 0.04               | 0.00               | -               |
| <b>Total other comprehensive (loss)/ income for the year (net of tax)</b>                | <b>(0.14)</b>      | <b>0.00</b>        | <b>-</b>        |
| <b>Total comprehensive income</b>  | <b>85.86</b>       | <b>65.42</b>       | <b>31.24%</b>   |

### **Income**

Our total income has increased significantly by 111.05% to ₹2,601.23 lakhs in Fiscal 2021 from ₹1,232.51 lakhs in Fiscal 2020. The said increase is primarily due to commencement of turnkey project.

### ***Revenue from Operations***

Our revenue from operations increased by 111.99% to ₹2,593.16 lakhs in Fiscal 2021 from ₹1,223.24 lakhs in Fiscal 2020. The said increase is primarily due to commencement of turnkey project supplies which was not there in Fiscal 2020 which contributed ₹ 1164.94 lakhs in Fiscal 2021.

### ***Other Income***

Our other income was ₹9.27 lakhs in Fiscal 2020, which has been decreased by 12.94% to ₹8.07 lakhs which.

### **Expenses**

Our total expenses has also increased significantly by 110.86% to ₹2448.29 lakhs in Fiscal 2021 from ₹1,161.08 lakhs in Fiscal 2020. The substantial increase in expenses is induction of expenses related to Turnkey Projects.

#### ***Purchase of stock in trade***

Purchase of stock-in-trade increased by 4.90% from ₹886.79 lakhs in Fiscal 2020 to ₹930.21 lakhs in Fiscal 2021.

#### ***Turnkey project expenses***

In Fiscal 2021, due to the commencement of Turnkey projects the expenses related to the project has started which was not in Fiscal 2020. In Fiscal 2021, our company has done expense of ₹830.92 on Turnkey projects.

#### ***Changes in inventories of finished goods and work-in-progress***

Changes in inventories of finished goods and work-in-progress increased by 173.44% from ₹(173.13) lakhs in Fiscal 2020 to ₹127.15 lakhs in Fiscal 2021, primarily due to higher inventory levels at the starting in Fiscal 2021 .

#### ***Employee benefits expenses***

Employee benefit expenses increased by 6.57% from ₹178.77 lakhs in Fiscal 2020 to ₹190.51 lakhs in Fiscal 2021 due to the increase of salaries, wages and other expenses.

#### ***Finance cost***

Finance costs has decreases by 4.30% from ₹90.46 lakhs in Fiscal 2020 to ₹86.57 lakhs in Fiscal 2021.

#### ***Depreciation and amortization expenses***

Depreciation, amortisation and impairment expenses increased by 31.74% from ₹6.68 lakhs in Fiscal 2020 to ₹8.80 lakhs in Fiscal 2021, primarily due to additions in property, plant and equipments.

#### ***Other expenses***

Other expenses increased by 59.83% from ₹171.51 lakhs in Fiscal 2020 to ₹274.13 lakhs in Fiscal 2021, due to increase in legal and professional charges by 558.49% from ₹6.36 lakhs in Fiscal 2020 to ₹41.88 lakhs in Fiscal 2021; commission expenses by 156.02% from ₹18.44 lakhs in Fiscal 2020 to ₹47.21 lakhs in Fiscal 2021; selling and distribution expenses by 938.10% from ₹3.15 lakhs in Fiscal 2020 to ₹32.70 lakhs in Fiscal 2021; bad debts by 151.74% from ₹3.17 lakhs in Fiscal 2020 to ₹7.98 lakhs in Fiscal 2021.

These increase were partly offset by decrease in traveling & conveyance expenses by 45.95% from ₹36.26 lakhs in Fiscal 2020 to ₹19.60 lakhs in Fiscal 2021; other miscellaneous expenses by 30.66% from ₹29.06 lakhs in Fiscal 2020 to ₹20.15 lakhs in Fiscal 2021.

#### **Profit Before Tax**

For the reasons discussed above, profit before tax was significantly increased by 114.16% to ₹152.95 lakhs in Fiscal 2021 as compared to ₹71.42 lakhs in Fiscal 2020.

#### **Tax Expenses**

Current tax increased by 151.70% from ₹22.65 lakhs in Fiscal 2020 as compared to ₹57.01 lakhs in Fiscal 2021. Deferred tax increased by (159.70)% from ₹(16.65) lakhs in Fiscal 2020 as compared to ₹9.94 lakhs in Fiscal 2021.

#### **Profit After Tax**

For the various reasons discussed above, we recorded significant increase of 31.46% in profit after tax from ₹65.42 lakhs in Fiscal 2020 as compared to ₹86.00 lakhs in Fiscal 2021.

#### **Total Comprehensive Income**

Total comprehensive income for the year was ₹85.86 lakhs in Fiscal 2021 compared to ₹65.42 lakhs in Fiscal 2020.

**Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA)**

EBITDA was ₹227.87 lakhs in Fiscal 2021 as compared to ₹144.58 lakhs in Fiscal 2020, while EBITDA margin (EBITDA as a percentage of our revenue from operations) was 8.79% in Fiscal 2021 as compared to 11.82% in Fiscal 2020.

**LIQUIDITY AND CAPITAL RESOURCES**

We have historically financed the expansion of our business and operations primarily through debt financing and funds generated from our operations. From time to time, we may obtain loan facilities to finance our short-term working capital requirements and term loans to finance our capital expenditures.

**CASH FLOWS**

The following tables set forth certain information relating to our cash flows in the years indicated:

| Particulars  | ₹ in lakhs unless stated otherwise |             |             |
|--|------------------------------------|-------------|-------------|
|  | Fiscal 2022                        | Fiscal 2021 | Fiscal 2020 |
| Net cash from/ (used in) Operating Activities          | 20.20                              | 358.14      | 6.18        |
| Net cash from/ (used in) Investing Activities          | (264.85)                           | 3.20        | (56.70)     |
| Net cash from/ (used in) Financing Activities          | 492.94                             | (367.22)    | 54.39       |
| Net (decrease)/ increase in Cash and Cash Equivalents  | 248.29                             | (5.88)      | 3.87        |
| Cash and cash equivalents at the beginning of the year | 0.76                               | 6.64        | 2.76        |
| Cash and cash equivalents at the end of the year       | 249.05                             | 0.76        | 6.64        |

**Operating Activities**

***Fiscal 2022***

We generated ₹20.20 lakhs net cash from operating activities during Fiscal 2022. While our restated profit before tax for the year was ₹2,411.32 lakhs, we had operating profit before working capital changes of ₹2,502.14 lakhs, primarily due to adjustments for depreciation expenses of ₹10.49 lakhs and interest expenses of ₹91.75 lakhs. Our working capital adjustments for Fiscal 2022 primarily consisted of increase in inventories of ₹390.59 lakhs, increase in loans and advances & trade receivables of ₹2,254.46 lakhs and increase in other financial assets and other assets of ₹628.57 lakhs, against an increase in trade payables and provisions of ₹1,391.78 lakhs and increase in other financial liabilities and other liabilities of ₹55.21 lakhs. Our cash generated from operating activities was ₹20.20 lakhs, adjusted by income tax paid of ₹655.31 lakhs.

***Fiscal 2021***

We generated ₹358.14 lakhs net cash from operating activities during Fiscal 2021. While our restated profit before tax for the year was ₹152.95 lakhs, we had operating profit before working capital changes of ₹248.43 lakhs, primarily due to adjustments for depreciation expenses of ₹8.80 lakhs and interest expenses of ₹86.57 lakhs. Our working capital adjustments for Fiscal 2021 primarily consisted of decrease in inventories of ₹127.15 lakhs, decrease in loans and advances & trade receivables of ₹219.08 lakhs and increase in other financial assets and other assets of ₹65.00 lakhs, which was partially offset by decrease in trade payables and provisions of ₹99.00 lakhs and decrease in other financial liabilities and other liabilities of ₹13.54 lakhs. Our cash generated from operating activities was ₹358.14 lakhs, adjusted by income tax paid of ₹58.98 lakhs.

***Fiscal 2020***

We generated ₹6.18 lakhs net cash from operating activities during Fiscal 2020. While our restated profit before tax for the year was ₹71.42 lakhs, we had operating profit before working capital changes of ₹171.06 lakhs, primarily due to adjustments for depreciation expenses of ₹6.68 lakhs and interest expenses of ₹90.46 lakhs. Our working capital adjustments for Fiscal 2020 primarily consisted of an increase in inventories of ₹173.13 lakhs, increase in loans and advances & trade receivables of ₹0.50 lakhs and increase in other financial assets and other assets of ₹20.11 lakhs, against increase in trade payables and provisions of ₹47.93 lakhs and increase in other financial liabilities and other liabilities of ₹10.18 lakhs. Our cash generated from operating activities was ₹6.18 lakhs, adjusted by income tax paid of ₹29.25 lakhs.

## Investing Activities

### *Fiscal 2022*

Net cash used in investing activities was ₹264.85 lakhs in Fiscal 2022, primarily on account of ₹106.03 lakhs used for the purchase of property, plant and equipment and ₹171.73 lakhs used in investments in fixed deposit, against proceeds from sale of property, plant and equipment of ₹0.39 lakhs, interest received of ₹9.17 lakhs and rent income received ₹3.35 lakhs.

### *Fiscal 2021*

Net cash flow from investing activities was ₹3.20 lakhs in Fiscal 2021, primarily on account of ₹2.78 lakhs used for the purchase of property, plant and equipment and ₹1.82 lakhs used in investments in fixed deposit, interest received of ₹4.53 lakhs and rent income received ₹3.27 lakhs.

### *Fiscal 2020*

Net cash used in investing activities was ₹56.70 lakhs in Fiscal 2020, primarily on account of ₹37.26 lakhs used for the purchase of property, plant and equipment and ₹25.30 lakhs used in investments in fixed deposit, against proceeds from interest received of ₹2.69 lakhs and rent income received ₹3.17 lakhs.

## Financing Activities

### *Fiscal 2022*

Net cash generated from financing activities was ₹492.94 lakhs in Fiscal 2022, primarily on account of payment done against interest paid of ₹89.69 lakhs which was offset by proceed from unsecured loan received from directors of ₹574.98 lakhs; from short term and long term borrowings of ₹7.65 lakhs.

### *Fiscal 2021*

Net cash used in financing activities was ₹367.22 lakhs in Fiscal 2021, primarily on account of payment done against interest paid of ₹86.14 lakhs; withdrawals by partners of ₹26.13 lakhs, repayment of borrowings ₹254.95 lakhs.

### *Fiscal 2020*

Net cash generated from financing activities was ₹54.39 lakhs in Fiscal 2020, primarily on account of payment done against interest paid of ₹90.46 lakhs; which was offset by proceed from partners of ₹83.05 lakhs; from short term and long term borrowings ₹61.80 lakhs.

## **INDEBTEDNESS**

As of March 31, 2022, we had total borrowings (consisting of borrowings under non-current liabilities, current maturities of long-term debts, and borrowings under current liabilities) of ₹1,368.28 lakhs. The following table sets forth certain information relating to our borrowings as of Fiscal 2022, Fiscal 2021 and Fiscal 2020:

₹ in lakhs unless stated otherwise

| <b>Particulars</b>                        | <b>Fiscal 2022</b> | <b>Fiscal 2021</b> | <b>Fiscal 2020</b> |
|---|--------------------|--------------------|--------------------|
| <b>Current</b>                            |                    |                    |                    |
| <i>Secured</i>                            |                    |                    |                    |
| Cash Credit facilities                    | 0.00               | 76.27              | 397.22             |
| <i>Unsecured</i>                          |                    |                    |                    |
| Loan from Directors                       | 12.37              | 0.00               | 0.00               |
| Loan from others                          | 0.00               | 0.00               | 5.99               |
| <b>Total Current Borrowings (A)</b>       | <b>12.37</b>       | <b>76.27</b>       | <b>403.21</b>      |
|   |                    |                    |                    |
| <b>Non-Current</b>                        |                    |                    |                    |
| <i>Secured</i>                            |                    |                    |                    |
| Loan from bank and financial institutions | 30.00              | 54.00              | 0.00               |
| Others                                    | 68.51              | 0.00               | 0.00               |
| <i>Unsecured</i>                          |                    |                    |                    |

|  |                 |               |               |
|--|-----------------|---------------|---------------|
| Loan from Directors                                  | 1200.00         | 0.00          | 0.00          |
| Loan from others                                     | 33.40           | 0.00          | 0.00          |
| <b>Total Non-Current Borrowings (B)</b>              | <b>1,331.91</b> | <b>54.00</b>  | <b>0.00</b>   |
| <b>Current maturities of long-term borrowings(C)</b> | <b>24.00</b>    | <b>18.00</b>  | <b>0.00</b>   |
| <b>Total Borrowings (A+B+C)</b>                      | <b>1,368.28</b> | <b>148.27</b> | <b>403.21</b> |

## CONTRACTUAL OBLIGATIONS, CONTINGENT LIABILITIES

### Contingent Liabilities

As of March 31, 2022 our contingent liabilities as per Ind AS 37-Provisions, Contingent Liabilities and Contingent Assets, were as follows:

| <b>₹ in lakhs unless stated otherwise</b>                                   |                             |
|---|-----------------------------|
| <b>Particulars</b>  | <b>As at March 31, 2022</b> |
| Contingent liability towards assessment orders related to disputed dues of: |                             |
| VAT & CST liabilities   | 1.11                        |
| Tax Deducted at Source  | 1.90                        |
| Bank Guarantees   | 265.50                      |
| <b>Total</b>  | <b>268.51</b>               |

*\*The above contingent liability is on account of assessment orders passed by the respective revenue authorities for the periods related to the erstwhile partnership firm. The company will submit the required certificates, forms and other documents to the revenue authorities in order to rectify and remove the above demands.*

For further information on our contingent liabilities, see “Restated Financial Statements” on page 187. Except as disclosed in the Restated Financial Statements or elsewhere in this Draft Red Herring Prospectus, there are no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that we believe are material to investors.

### Contractual Liabilities

The table below sets forth our contractual obligations as of March 31, 2022. These obligations primarily relate to our contractual maturities of financial liabilities such as borrowings, trade payables, other financial liabilities.

| <b>₹ in lakhs unless stated otherwise</b>              |                        |                         |                 |
|--|------------------------|-------------------------|-----------------|
| <b>Contractual maturities of financial liabilities</b> | <b>Less than 1year</b> | <b>More than 1years</b> | <b>Total</b>    |
| Borrowings   | 36.37                  | 1,331.92                | 1,368.28        |
| Trade payables   | 1,799.37               | 0.00                    | 1,799.37        |
| Other financial liabilities                            | 13.70                  | 0.00                    | 13.70           |
| <b>Total</b>   | <b>1,849.44</b>        | <b>1,331.92</b>         | <b>3,181.35</b> |

For further information on our capital and other commitments, see “Restated Financial Statements” on page 152.

## CAPITAL EXPENDITURES

Capital expenditures consist primarily of investments in property plant and equipment like lease hold land, furniture and fixtures, office equipment, computer equipment and vehicles. We also make investments at our buildings to upgrade and modernize the facilities. Capital expenditure will vary from year to year depending upon a number of factors, including the need to replace equipment and the timing of certain projects, such as investment in new technologies.

In Fiscal 2022, Fiscal 2021 and Fiscal 2020 our capital expenditure towards additions to property, plant and equipment, and intangible assets were ₹106.03 lakhs, ₹2.77 lakhs, and ₹37.26 lakhs respectively.

The following table summarizes our capital expenditure for Fiscal 2022, Fiscal 2021 and Fiscal 2020:

| <b>₹ in lakhs unless stated otherwise</b> |                    |                    |                    |
|---|--------------------|--------------------|--------------------|
| <b>Particulars</b>                        | <b>Fiscal 2022</b> | <b>Fiscal 2021</b> | <b>Fiscal 2020</b> |
| Lease Hold Land                           | 102.13             | 0.00               | 0.00               |
| Buildings                                 | 0.00               | 0.00               | 0.00               |
| Furniture and Fixtures                    | 0.00               | 0.00               | 0.36               |

|                      |               |             |              |
|----------------------|---------------|-------------|--------------|
| Office Equipments    | 1.10          | 2.24        | 1.11         |
| Computers Equipments | 2.81          | 0.53        | 0.00         |
| Vehicles             | 0.00          | 0.00        | 35.79        |
| <b>Total</b>         | <b>106.03</b> | <b>2.77</b> | <b>37.26</b> |

For further information, see “Restated Financial Statements” on page 152.

#### **OFF-BALANCE SHEET ARRANGEMENTS**

We do not have any off-balance sheet arrangements, derivative instruments or other relationships with other entities that would have been established for the purpose of facilitating off-balance sheet arrangements

#### **RELATED PARTY TRANSACTIONS**

We enter into various transactions with related parties in the ordinary course of business. These transactions principally include purchase and sale of goods to entities where any of our KMPs or their relatives have control or significant influence and purchase of goods and services from related parties, dividend paid to the KMPs, unsecured loan taken from related parties and unsecured loan paid back to related parties, remuneration paid to KMPs and relatives, expenses incurred on behalf of related party and guarantees given to lenders against borrowings.

For further information relating to our related party transactions, see “Restated Financial Statements – Note 38” on page 191.

#### **AUDITOR’S OBSERVATIONS**

There are no audit qualifications which have not been given effect in the restated financial statements.

#### **QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

The Company’s activities expose it to credit risk, liquidity risk and market risk. The Company’s board of directors has overall responsibility for the establishment and oversight of the Company’s risk management framework.

##### ***(a) Credit Risk***

Credit risk is the risk of incurring a loss that may arise from a borrower or customer failing to make required payments. Credit risk arises mainly from outstanding receivables from free market dealers, cash and cash equivalents, employee advances and security deposits. The Company manages and analyses the credit risk for each of its new clients before standard payment and delivery terms and conditions are offered.

The Company’s exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer and including the default risk of the industry, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on-going basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- Actual or expected significant adverse changes in business;
- Actual or expected significant changes in the operating results of the counterparty;
- Financial or economic conditions that are expected to cause a significant change to the counterparty’s ability to meet its obligations;
- Significant increase in credit risk on other financial instruments of the same counterparty;
- Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectations of recovery, such as a customer failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage

in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss.

**(b) Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

**(c) Market Risk**

Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

**(d) Currency Risk**

Currency market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The risk is measured through a forecast of foreign currency for the Company's operations. The Company has no exposure to foreign currency risk at the end of the reporting period.

**UNUSUAL OR INFREQUENT EVENTS OR TRANSACTIONS**

Except as described in this Draft Red Herring Prospectus, to our knowledge, there have been no unusual or infrequent events or transactions that have in the past or may in the future affect our business operations or future financial performance.

**SIGNIFICANT ECONOMIC CHANGES THAT MATERIALLY AFFECT OR ARE LIKELY TO AFFECT INCOME FROM CONTINUING OPERATIONS**

Our business has been subject, and we expect it to continue to be subject, to significant economic changes that materially affect or are likely to affect income from continuing operations identified above in "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting our Results of Operations*" and the uncertainties described in "*Risk Factors*" beginning on page 208 and 27 respectively.

**KNOWN TRENDS OR UNCERTAINTIES**

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting our Results of Operations*" and the uncertainties described in "*Risk Factors*" beginning on pages 208 and 27 respectively. To our knowledge, except as discussed in this Draft Red Herring Prospectus, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on sales, revenue or income of our Company from continuing operations.

**FUTURE RELATIONSHIP BETWEEN COSTS AND INCOME**

Other than as described in "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on pages 27, 103 and 207 respectively, to our knowledge there are no known factors that may adversely affect our business prospects, results of operations and financial condition.

**NEW PRODUCT SEGMENTS**

As on the date of the Draft Red Herring Prospectus, there are no new products or business segments that have or are expected to have a material impact on our business prospects, results of operations or financial condition.

## COMPETITIVE CONDITIONS

We operate in a competitive environment. See “Our Business”, “Industry Overview” and “Risk Factors” beginning on pages 103, 85 and 27 respectively, for further details on competitive conditions that we face across our various business segments.

## 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

Changes in revenue in the last three Fiscals are as described in “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Results of Operations Information for the Fiscal 2022 compared with Fiscal 2021” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Results of Operations Information for the Fiscal 2021 compared with Fiscal 2020” above on pages 224 and 226 respectively. Below is the breakup of the revenue from operation of our company –

| Business Segment                        | March 31, 2022   | % of Revenue | March 31, 2021  | % of Revenue | March 31, 2020  | % of Revenue |
|---|------------------|--------------|-----------------|--------------|-----------------|--------------|
| Healthcare infrastructure projects      | 11,505.29        | 57.53%       | 1,164.94        | 44.92%       | -               | -            |
| Dealing in high value medical equipment | 8,383.50         | 41.92%       | 1,168.83        | 45.07%       | 986.35          | 80.63%       |
| Other operating revenue                 | 110.67           | 0.55%        | 259.40          | 10.00%       | 236.89          | 19.37%       |
| <b>Revenue from Operation</b>           | <b>19,999.46</b> |              | <b>2,593.17</b> |              | <b>1,223.24</b> |              |

## SIGNIFICANT DEPENDENCE ON SINGLE OR FEW CUSTOMERS

Revenue from any particular customer may vary between financial reporting periods depending on the nature and term of ongoing contracts with such customer. Revenue generated from sales to our top 10 customers represented 91%, of our revenue from operations in Fiscal 2022. In addition, revenue generated from our top 5 customers represented 80% of our revenue from operations in Fiscal 2022. For further information, see “Risk Factors – Loss of any of our key customers or significant reduction in demand from, our significant customers may materially and adversely affect our business and financial performance” on page 27.

## SEASONALITY/ CYCLICALITY OF BUSINESS

Our business is not subject to seasonality or cyclicity. For further information, see “Industry Overview” and “Our Business” on pages 85 and 103 respectively.

## SIGNIFICANT DEVELOPMENTS AFTER MARCH 31, 2022 THAT MAY AFFECT OUR FUTURE RESULTS OF OPERATIONS

Other than as disclosed below and elsewhere in this Draft Red Herring Prospectus, there have been no significant developments after March 31, 2022 that may affect our future results of operations.

- Pursuant to special resolution passed by the shareholders at the EGM, held on April 22, 2022, our Company was converted into a Public Limited Company and consequently the name of our Company was changed from “Aprameya Engineering Private Limited” to “Aprameya Engineering Limited” vide a fresh certificate of incorporation consequent upon conversion dated May 12, 2022, issued by the Registrar of Companies, Ahmedabad, Gujarat bearing CIN: U51909GJ2021PLC128294.
- Increase in Authorised Share Capital pursuant to special resolution passed by our shareholders at the EGM, held on May 17, 2022 from ₹700.00 Lakhs to ₹2000.00 Lakhs.
- Our Company has issued 70,00,000 bonus Equity Shares in the ratio of 1:1 at the Board meeting held on August 06, 2022.

## CAPITALISATION STATEMENT

The following table sets forth our capitalization as at March 31, 2022, on the basis of our Restated Financial Information, and as adjusted for the Issue. This table should be read in conjunction with “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, “Restated Financial Statements” and “Risk Factors” beginning on pages 207, 152 and 27 respectively.

| Particulars   | Pre-Issue as at<br>March 31, 2022 | Post Issue* |
|---|-----------------------------------|-------------|
| <b>Total borrowings</b>                             |                                   |             |
| Current borrowings (excluding current maturity)     | 36.37                             | [●]         |
| Non-current borrowings (including current maturity) | 1331.91                           | [●]         |
| <b>Total Borrowings</b>                             | <b>1368.28</b>                    | <b>[●]</b>  |
| <b>Total equity</b>                                 |                                   |             |
| Equity Share Capital                                | 700.00                            | [●]         |
| Other equity  | 756.31                            | [●]         |
| <b>Total Capital</b>                                | <b>1456.31</b>                    | <b>[●]</b>  |
| <b>Ratio: Non-Current Borrowings / Total Equity</b> | <b>0.91</b>                       | <b>[●]</b>  |
| <b>Ratio: Total Borrowings / Total Equity</b>       | <b>0.94</b>                       | <b>[●]</b>  |

\*Post-Issue Capitalization will be determined after finalization of Issue Price.

Note:

1. Short term Debts represent which are expected to be paid/payable within 12 months
2. Long term Debts represent debts other than Short Term Debts as defined
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31.03.2022
4. The Reserves and Surplus amount has not been adjusted for share issue expenses on account of the proposed Issue.

## FINANCIAL INDEBTEDNESS

Our Company avails loans and financing facilities in our ordinary course of business for meeting our capital and business requirements. For details of the borrowing powers of our Board, see "Our Management-Borrowing Powers" on page 129.

We have obtained the necessary consents required under the relevant financing documentation for undertaking the activities in relation to the Issue, including, inter alia, effecting changes in our capital structure, shareholding pattern, constitutional documents and the composition of our Board. The details of the indebtedness of our Company as on March 31, 2022 is provided below:

| Category of borrowing          | Sanctioned Amount (Rs. in lakhs) | Outstanding amount (Rs. in lakhs) as on 31 <sup>st</sup> March 2022 |
|--------------------------------|----------------------------------|---|
| Term Loan - PNB                | 72.00                            | 54.00   |
| Term Loan – GIDC               | 68.51                            | 68.51   |
| Bajaj Finance                  | 33.85                            | 33.40   |
| Cash Credit - PNB              | 600.00                           | 0.00  |
| Unsecured Loan From            |                                  |   |
| - Mr. Chetan Mohan Joshi       | 590.66                           | 590.66  |
| - Mr. Saurabh Kishorbhai Bhatt | 621.71                           | 621.71  |
| <b>Total</b>                   | <b>1986.73</b>                   | <b>1368.28</b>  |

Notes:

The company has bank guarantee facility limit of Rs. 320 lakhs from Punjab National Bank. The Bank guarantee outstanding balance is Rs. 265.50 lakhs as on 31st March, 2022.

### 1. Details of security and terms of repayment

#### (I) Nature of Security

(a) The GECL- Working capital term loan of Rs. 72.00 Lakhs from Punjab National Bank ("PNB") is secured by offering following primary and collateral securities.

##### a. Primary Security

Hypothecation of entire current assets ( Present as well as Future) of the company including stock and Book debts and personal guarantee of directors and their relative members and corporate guarantee of Aprameya Engineering (I) Pvt. Ltd.

##### b. Collateral Securities

Mortgage on Two Investment properties, Residential and Commercial properties of Directors jointly held with relative members, and Commercial properties of Aprameya Engineering (I) Pvt Ltd. and Guarantee Coverage From National Credit Guarantee Trustee Company Limited ("NCGTC").

| Mortgage of Properties as a collateral security to the Bank                                       | Property Owned By                                       |
|---|---|
| Office No, 5 Shreyas Complex, Ahmedabad, Gujarat, India   | M/s Aprameya Engineering (Partnership Firm)             |
| Office No, 6 Shreyas Complex, Ahmedabad, Gujarat, India   | M/s Aprameya Engineering (Partnership Firm)             |
| Office No, 4 Shreyas Complex, Ahmedabad, Gujarat, India   | M/s Aprameya Engineering (India) Pvt Ltd                |
| Shop No. 215 Gala Empire, Opp Doordarshan Road, Drive in Road, Ahmedabad, Gujarat, India          | Mr. Saurabh Kishorbhai Bhatt & Mrs. Pooja Saurabh Bhatt |
| Shop No. 216 Gala Empire, Opp Doordarshan Road, Drive in Road, Ahmedabad, Gujarat, India          | Mr. Chetan Mohan Joshi & Mrs. Archana Chetan Joshi      |
| Flat No. A-3/502, 5 the floor, Green Acres, Nr. Auda Lake Prahladnagar, Ahmedabad, Gujarat, India | Mr. Saurabh Kishorbhai Bhatt & Mrs. Pooja Saurabh Bhatt |
| Flat No. A-1/202, 2nd floor, Green Acres, Nr. Auda Lake Prahladnagar, Ahmedabad, Gujarat, India   | Mr. Chetan Mohan Joshi & Mrs. Archana Chetan Joshi      |
| Office No, 908, 9th Floor, Venus Atlantis, 100 Ft Road, Nr, Auda Garden, Satellite, Ahmedabad     | Mr. Saurabh Kishorbhai Bhatt & Mr. Chetan Mohan Joshi   |

|  |  |
|--|--|
| Office No, 712, 7th Floor, Venus Atlantis, 100 Ft Road, Nr, Auda Garden,<br>Satellite, Ahmedabad | Mr. Saurabh Kishorbhai Bhatt &<br>Mr. Chetan Mohan Joshi |
|--|--|

## **(II) Terms of Repayment**

The above term loan is repayable in 48 months including moratorium period of 12 on instalments of Rs. 2.00 Lakhs starting from July, 2022. Interest is payable at 7.65% p. a. (i.e. RLLR (6.65%) +1.00%). The interest is payable as and when due during the moratorium period.

### **2. Details of security and terms of repayment:**

#### **Term Loan GIDC**

##### **Terms of Repayment -**

The company has acquired Land on Lease from Sanand GIDC. The GIDC has allowed the company to pay premium of Rs.68.51 Lakhs after the moratorium period of 2 years in 32 Quarterly installments of Rs. 2.14 Lakhs with interest payable at the rate of 10% p. a starting from 30-06-2023. Interest is payable in moratorium period as and when due on monthly basis.

#### **Loan from Bajaj Finance**

The above term loan is repayable in 84 months (including moratorium period of 36 months) by way of monthly EMIs of Rs. 0.96 Lakhs (including interest) starting from June, 2024. Interest is payable at 16.25% p. a. The interest is payable as and when due during the moratorium period.

#### **Unsecured Loan from Director**

The above loan from directors are repayable after the period of Two years. Interest is payable at 12% p. a. from next year.

## **SECTION VI –LEGAL AND OTHER INFORMATION**

### **OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS**

*Except as stated in this section, there are no (i) outstanding criminal proceedings; (ii) actions taken by statutory and/or regulatory authorities; (iii) outstanding claims related to direct or indirect taxes; (iv) other pending litigation as determined to be material by our Board as per the Materiality Policy (as defined below) in each case involving our Company, Promoters or Directors (“**Relevant Parties**”); or (v) any litigations involving our Group Companies which have a material impact on the business operations, prospects or reputation of our Company. There are no disciplinary actions including penalties imposed by SEBI or stock exchanges against our Company, its Promoter or its Directors in the last five financial years, including any outstanding action.*

*Our Board, in its meeting held on July 02, 2022 determined that outstanding legal proceedings involving the Relevant Parties and Group Companies will be considered as material (**‘Materiality Policy’**) if:*

- a) the aggregate monetary claim made by or against the Relevant Parties or Group Companies, as the case may be, in any such pending litigation or arbitration proceeding in excess of 10% of the profit after tax of the Company, in the most recently completed financial year as per the Restated Financial Statements. It is clarified that pre-litigation notices received by the Relevant Parties, unless otherwise decided by the Board, shall not be evaluated for materiality until such time that the Relevant Parties are impleaded as defendants in the litigation proceedings before any judicial forum.*
- b) such litigation or arbitration proceeding where the monetary liability is not quantifiable, or which does not fulfil the threshold specified in (a) above, the outcome of which litigation or arbitration proceeding could, nonetheless, have a material adverse effect on the business, operations, performance, prospects, financial position or reputation of the Company.*

*Except as stated in this section, there are no outstanding material dues to creditors of our Company. For this purpose, our Board has considered and adopted a policy of materiality for identification of material outstanding dues to creditors by way of its resolution dated July 02, 2022. In terms of the materiality policy, creditors of our Company to whom amounts outstanding dues to any creditor of our Company exceeding 5% of the revenue of the Company as per the Restated Financial Statements of our Company disclosed in this Draft Red Herring Prospectus, would be considered as material creditors. Details of outstanding dues to micro, small and medium enterprises and other creditors separately giving details of number of cases and amount involved, shall be uploaded and disclosed on the webpage of the Company as required under the SEBI ICDR Regulations.*

*Our Company does not have any subsidiaries and therefore, there are no outstanding litigation involving our subsidiaries which will have a material impact on our Company.*

*Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus.*

### **LITIGATIONS INVOLVING THE COMPANY**

#### **A. LITIGATION FILED AGAINST OUR COMPANY**

##### **1. Litigation Involving Criminal Matters**

NIL

##### **2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

##### **3. Litigation/Matters involving Tax Liabilities**

NIL

##### **a. Direct Tax Liabilities**

Aprameya Engineering Private Limited

| Sr. No. | Type of Direct Tax                      | No. of Cases | Amount of dispute / demanded to the extent ascertainable (in Rs. Lakhs) | Stage                  |
|---------|---|--------------|---|------------------------|
| 1.      | TDS Default - Assessment Year 2022-2023 | 1            | Rs. 89,510/- (Rupees Eighty-Nine Thousand Five Hundred and Ten only)    | Income Tax Department. |

Aprameya Engineering

| Sr. No. | Type of Direct Tax                      | No. of Cases | Amount of dispute / demanded to the extent ascertainable (in Rs. Lakhs)    | Stage                  |
|---------|---|--------------|--|------------------------|
| 1.      | TDS Default- Assessment Year 2010-2011  | 1            | Rs. 1,830/- (Rupees One Thousand Eight Hundred only)                       | Income Tax Department. |
| 2.      | TDS Default - Assessment Year 2011-2012 | 1            | Rs. 6,250/- (Rupees Six Thousand Two Hundred and Fifty only)               | Income Tax Department. |
| 3.      | TDS Default - Assessment Year 2012-2013 | 1            | Rs. 5,650/- (Rupees Five Thousand Six Hundred and Fifty only)              | Income Tax Department. |
| 4.      | TDS Default - Assessment Year 2013-2014 | 1            | Rs. 1,05,550/- (Rupees One Lakh Five Thousand Five Hundred and Fifty only) | Income Tax Department. |
| 5.      | TDS Default - Assessment Year 2014-2015 | 1            | Rs. 1,06,990/- (Rupees One Lakh Six Thousand Nine Hundred and Ninety only) | Income Tax Department. |
| 6.      | TDS Default - Assessment Year 2015-2016 | 1            | Rs. 91,850/- (Rupees Ninety-One Thousand Eight Hundred and Fifty only)     | Income Tax Department. |
| 7.      | TDS Default - Assessment Year 2016-2017 | 1            | Rs. 4,460/- (Rupees Four Thousand Four Hundred and Sixty only)             | Income Tax Department. |
| 8.      | TDS Default - Assessment Year 2017-2018 | 1            | Rs. 6,450/- (Rupees Six Thousand Four Hundred and Fifty only)              | Income Tax Department. |
| 9.      | TDS Default - Assessment Year 2018-2019 | 1            | Rs. 12,240/- (Rupees Twelve Thousand Two Hundred and Forty only)           | Income Tax Department. |
| 10.     | TDS Default - Assessment Year 2020-2021 | 1            | Rs. 5,720/- (Rupees Five Thousand Seven Hundred and Twenty only)           | Income Tax Department. |
| 11.     | TDS Default - Assessment Year 2021-2022 | 1            | Rs. 2,210/- (Rupees Two Thousand Two Hundred and Ten only)                 | Income Tax Department. |
| 12.     | TDS Default - Assessment Year 2022-2023 | 1            | Rs. 11,950/- (Rupees Eleven Thousand Nine Hundred and Fifty only)          | Income Tax Department. |

**b. Indirect Tax Liabilities**

Aprameya Engineering

| Sr. No. | Type of Indirect Tax                            | No. of Cases | Amount of dispute / demanded to the extent ascertainable (in Rs. Lakhs)          | Stage   |
|---------|---|--------------|--|---|
| 1.      | Value Added Tax-Assessment Year 2013-2014       | 1            | Rs. 2,72,250/- ( Rupees Two Lakh Twenty-Two Thousand Two Hundred and Fifty only) | Assessment Order issued by the Assistant Commercial Tax Officer |
| 2.      | Value Added Tax-Assessment Year 2017-2018       | 1            | Rs. 38,280/- (Rupees Thirty-Eight Thousand Two Hundred and Eighty only)          | Assessment Order issued by the Assistant Commercial Tax Officer |
| 3.      | Goods and Service Tax-Assessment Year 2017-2018 | 1            | Rs. 106123/- ( Rupees One Lakh Six Thousand One Hundred Twenty-Three only)       | Before the Superintendent AR-I, Div-VIII, CGST Ahmedabad South. |

|    |   |   |   |  |
|----|---|---|---|--|
| 4. | Goods and Service Tax–<br>Assessment Year 2018-2019 | 1 | Rs. 57070/- (Rupees Fifty-Seven<br>Thousand Seventy only)                         | Before the Superintendent AR-<br>I, Div-VIII, CGST Ahmedabad<br>South. |
| 5. | Goods and Service Tax–<br>Assessment Year 2019-2020 | 1 | Rs. 7476/- (Rupees Seven<br>Thousand Four Hundred Seventy-<br>Six only)           | Before the Superintendent AR-<br>I, Div-VIII, CGST Ahmedabad<br>South. |
| 6. | Goods and Service Tax–<br>Assessment Year 2020-2021 | 1 | Rs. 35193/- (Rupees Thirty-Five<br>Thousand One Hundred and<br>Ninety-Three only) | Before the Superintendent AR-<br>I, Div-VIII, CGST Ahmedabad<br>South. |
| 7. | Goods and Service Tax–<br>Assessment Year 2021-2022 | 1 | Rs. 167089/- (Rupees One Lakh<br>Sixty-Seven Thousand Eighty-<br>Nine only)       | Before the Superintendent AR-<br>I, Div-VIII, CGST Ahmedabad<br>South. |

#### **4. Other Pending Litigations**

NIL

#### **B. LITIGATION FILED BY OUR COMPANY**

##### **1. Litigation Involving Criminal Matters**

NIL

##### **2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

##### **3. Litigation/Matters involving Tax Liabilities**

###### **a. Direct Tax Liabilities**

NIL

###### **b. Indirect Tax Liabilities**

NIL

##### **4. Other Pending Litigations**

NIL

#### **LITIGATIONS INVOLVING PROMOTERS AND DIRECTORS**

#### **A. LITIGATION FILED AGAINST OUR PROMOTERS AND DIRECTORS**

##### **1. Litigation Involving Criminal Matters**

NIL

##### **2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

##### **3. Litigation/Matters involving Tax Liabilities**

###### **a. Direct Tax Liabilities**

NIL

###### **b. Indirect Tax Liabilities**

NIL

**4. Other Pending Litigations**

NIL

**B. LITIGATIONS FILED BY OUR PROMOTERS AND DIRECTORS**

**1. Litigation Involving Criminal Matters**

NIL

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3. Litigation/Matters involving Tax Liabilities**

**a. Direct Tax Liabilities**

NIL

**b. Indirect Tax Liabilities**

NIL

**4. Other Pending Litigations**

Suresh Kumar Verma

**Consumer Complaint dated February 11, 2021 filed under Section 35 of the Consumer Protection Act, 2019 before the Hon'ble Consumer Disputes Redressal District Commission at Ahmedabad by Suresh Kumar Verma ("Complainant") against (i) New India Assurance Company Limited and (ii) DHS Multi Specialty Hospital ("Opponents")**

The Complainant had prayed that (i) the Hon'ble District Commission direct the Opponents to pay the Complainant a sum of Rs. 2,66,497/- (Rupees Two Lakh Sixty-Six Thousand Four Hundred and Ninety-Seven only) with interest at 12% per annum from the date of the complaint till realization, (ii) the Hon'ble District Commission direct the Opponents to pay the Complainant a sum of Rs. 10,000 (Rupees Ten Thousand only) as compensation for mental agony, pain and suffering and a sum of Rs. 10,000 (Rupees Ten Thousand only) towards costs of the complaint and (iii) any other further reliefs as the Hon'ble District Commission may deem fit and proper. This matter is pending.

**LITIGATION INVOLVING OUR GROUP COMPANIES**

**A. LITIGATION FILED AGAINST OUR GROUP COMPANIES**

**1. Litigation Involving Criminal Matters**

NIL

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3. Litigation/Matters involving Tax Liabilities**

**a. Direct Tax Liabilities**

Aprameya Engineering (India) Private Limited

| Sr. No. | Type of Direct Tax                      | No. of Cases | Amount of dispute / demanded to the extent ascertainable (in Rs. Lakhs) | Stage                  |
|---------|---|--------------|---|------------------------|
| 1.      | TDS Default - Assessment Year 2012-2013 | 1            | Rs. 900/- (Rupees Nine Hundred only)                                    | Income Tax Department. |
| 2.      | TDS Default - Assessment Year 2013-2014 | 1            | Rs. 22,590/- (Rupees Twenty-Two Thousand Five Hundred and Ninety only)  | Income Tax Department. |
| 3.      | TDS Default - Assessment Year 2014-2015 | 1            | Rs. 40,450/- (Rupees Forty Thousand Four Hundred and Fifty only)        | Income Tax Department. |
| 4.      | TDS Default - Assessment Year 2015-2016 | 1            | Rs. 2,640/- (Rupees Two Thousand Six Hundred and Forty only)            | Income Tax Department. |
| 5.      | TDS Default - Assessment Year 2017-2018 | 1            | Rs. 4,080/- (Rupees Four Thousand and Eighty only)                      | Income Tax Department. |
| 6.      | TDS Default - Assessment Year 2021-2022 | 1            | Rs. 40/- (Rupees Forty only)  | Income Tax Department. |
| 7.      | TDS Default - Assessment Year 2022-2023 | 1            | Rs. 530/- (Rupees Five Hundred and Thirty only)                         | Income Tax Department. |

Mecviz Endoscopy India Private Limited

| Sr. No. | Type of Direct Tax                      | No. of Cases | Amount of dispute / demanded to the extent ascertainable (in Rs. Lakhs) | Stage                  |
|---------|---|--------------|---|------------------------|
| 1.      | TDS Default - Assessment Year 2014-2015 | 1            | Rs. 6,950/- (Rupees Six Thousand Nine Hundred and Fifty only)           | Income Tax Department. |
| 2.      | TDS Default - Assessment Year 2015-2016 | 1            | Rs. 5,700/- (Rupees Five Thousand Seven Hundred only)                   | Income Tax Department. |
| 3.      | TDS Default - Assessment Year 2016-2017 | 1            | Rs. 7,940/- (Rupees Seven Thousand Nine Hundred and Forty only)         | Income Tax Department. |

**b. Indirect Tax Liabilities**

NIL

**4. Other Pending Litigations**

NIL

**B. LITIGATIONS FILED BY OUR GROUP COMPANIES**

**1. Litigation Involving Criminal Matters**

NIL

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3. Litigation/Matters involving Tax Liabilities**

**a. Direct Tax Liabilities**

NIL

**b. Indirect Tax Liabilities**

NIL

#### 4. Other Pending Litigations

NIL

#### **Disciplinary action against our Company, and Promoters by SEBI or any stock exchange in the last five Financial Years**

As on the date of this Draft Red Herring Prospectus, no disciplinary action including penalty imposed by SEBI or stock exchanges has been initiated against our Promoters in the last 5 (five) Financial Years including any outstanding action.

#### **Details of dues to micro, small and medium enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006**

As of March 31, 2022, there was only one cases of dues to micro and small and medium enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006.

#### **Outstanding dues to Creditors**

As per the Materiality Policy, creditors to whom an amount exceeding 5% of the total trade payables of our Company as of the end of the most recent period covered in the Restated Financial Statements, i.e., as of March 31, 2022, were considered 'material' creditors. Based on the above, there are 6 material creditor of our Company as on March 31, 2022, to whom an aggregate amount of ₹ 1280.24 lakhs was outstanding. Based on this criterion, details of outstanding dues (trade payables) owed to micro, small and medium enterprises (as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006), material creditors and other creditors, as at March 31, 2022 by our Company, are set out below:

| <b>Type of Creditors</b>            | <b>Number of Creditors</b> | <b>Amount Involved (in ₹ Lakhs)</b> |
|-------------------------------------|----------------------------|-------------------------------------|
| Micro, small and medium enterprises | 1                          | 54.05                               |
| Material creditors                  | 6                          | 1280.24                             |
| Other than material creditors       | 100                        | 465.07                              |
| <b>Total</b>                        | <b>107</b>                 | <b>1799.36</b>                      |

The details pertaining to net outstanding dues towards our material creditors are available on the website of our Company at <https://aelhealth.com/>.

Information provided on the website of our Company is not a part of this Draft Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, would be doing so at its own risk.

#### **Material developments occurring after last balance sheet date**

Except as disclosed elsewhere in this Draft Red Herring Prospectus and in the chapter titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 207, there have been no material developments since the date of the last financial statements as disclosed in the Draft Red Herring Prospectus.

## GOVERNMENT AND OTHER STATUTORY APPROVALS

Our Company can undertake the Issue and can undertake its current business activities, including on the basis of the list of material approvals provided below, and other than as stated below, no further material approvals from any regulatory authority are required to undertake the Issue or continue such business activities. Unless otherwise stated, these material approvals are valid as of the date of this Draft Red Herring Prospectus.

### I. Approvals for the Issue

1. The Board of Directors have, by a resolution passed at its meeting held on August 3, 2022 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of the Company have, by a special resolution passed in the Extra-ordinary General Meeting held on August 6, 2022 authorized the Issue.
3. In-principle approval dated [●] from the BSE for listing of the Equity Shares issued by the Company pursuant to the Issue.
4. In-principle approval dated [●] from the NSE for listing of the Equity Shares issued by the Company pursuant to the Issue.
5. The Company's International Securities Identification Number (“ISIN”) is INE0LQG01010.

### II. Incorporation Related Approvals

1. Certificate of Registration dated November 18, 2021 was issued to Aprameya Engineering by the Registrar of Firms, Ahmedabad City, Ahmedabad.
2. Certificate of Incorporation consequent on conversion from firm to a private company dated December 28, 2021 issued to the Company by the Deputy Registrar of Companies, Registrar of Companies, Central Registration Centre.
3. Fresh Certificate of Incorporation consequent upon conversion from private company to public company dated May 12, 2022 issued to Aprameya Engineering Limited by the Registrar of Companies, Ahmedabad pursuant to change of name from Aprameya Engineering Private Limited to Aprameya Engineering Limited.
4. The Corporate Identity Number (CIN) of the Company is U51909GJ2021PLC128294.

### III. Business Related Approvals

#### A. Approvals obtained by the Company

- Certificate of Legal Entity Identifier (LEI) issued to the Company bearing code number 335800YFC5A2DUSTCV68 issued by the Legal Entity Identifier India Limited. This certificate is valid till May 24, 2023.
- i. The Company has obtained the following approvals for the premises situated at 908, 9<sup>th</sup> Floor, Venus Atlantis Corporate, Park, Anandnagar, Prahladnagar, Ahmedabad, Gujarat, India, 380015. (Registered Office)

| Sr. No.                                 | Description   | Authority  | Registration Number | Date of Issue  | Date of Expiry        |
|---|---|--|---------------------|----------------|-----------------------|
| <b>i. Other approvals/Registrations</b> |   |  |                     |                |                       |
| 1.                                      | Udyam Registration issued to the Company<br><i>Type of enterprise: Micro Trading</i><br><i>Major activity: Services (Trading)</i> | Government of India, Ministry of Micro, Small and Medium Enterprises | UDYAM-GJ-01-0155582 | April 19, 2022 | Valid until cancelled |
| 4.                                      | License to sell, stock or exhibit or offer for sale or distribute by wholesale, drugs other than                                  | Licensing Authority and Assistant Commissioner Food                  | GJ-AD2 100170       | May 12, 2022   | May 11, 2027          |

| Sr. No. | Description  | Authority   | Registration Number | Date of Issue  | Date of Expiry |
|---------|--|---|---------------------|----------------|----------------|
|         | those specified in Schedules C, C(1) and Schedule X granted to the Company.  | and Drugs Control Administration, Ahmedabad-II.   |                     |                |                |
| 5.      | License to sell, stock or exhibit or offer for sale or distribute by wholesale, drugs specified in Schedules C, C(1) excluding those in Schedule X granted to the Company. | Licensing Authority and Assistant Commissioner Food and Drugs Control Administration, Ahmedabad-II. | GJ-AD2-100171       | May 12, 2022   | May 11, 2027   |
| 6.      | Fire No Objection Certificate issued to Venus Atlantis (Commercial property).  | Chief Fire Officer  | NOC03681102202<br>1 | April 26, 2021 | April 26, 2023 |

- ii. The Company has obtained the following approvals for the premises situated at GF-23, Ground floor, Jaipur Electronic Market, Near Riddhi Siddhi, Gopalpura, Jaipur, Rajasthan. (Branch Office)

| Sr. No.                                 | Description   | Authority                  | Registration Number | Date of Issue | Date of Expiry           |
|---|---|----------------------------|---------------------|---------------|--------------------------|
| <b>i. Other approvals/Registrations</b> |   |                            |                     |               |                          |
| 1.                                      | License to sell, stock or exhibit or offer for sale or distribute by wholesale, drugs, specified in Schedules C, C(1) excluding those specified in Schedule X, granted to the Company | Assistant Drugs Controller | DRUG/2021-22/71770  | May 12, 2022  | Validity until cancelled |
| 2.                                      | License to sell, stock or exhibit or offer for sale or distribute by wholesale, drugs other than those specified in Schedules C, C (1), and Schedule X, granted to the Company.       | Assistant Drugs Controller | DRUG/2021-22/71769  | May 12, 2022  | Validity until cancelled |

#### Quality Certificates

- a. Certificate of Registration bearing no. 99 100 17455 dated January 21, 2022 was issued by the Head of Certification Body of TÜV SÜD South Asia Private Limited to the Company for works at 908, 9<sup>th</sup> Floor, Venus Atlantis Corporate, Park, Anandnagar, Prahladnagar, Ahmedabad, Ahmedabad, Gujarat, India, 380015 for being in compliance with ISO 9001:2015 (Quality Management System) for trading, *government tendering, import, export of medical equipment like surgical, diagnostic, critical care and home health care equipment and medical devices, hospital furniture, operation theatre infrastructure, dental equipment, radiology equipment, accessories and consumables*. This certificate is valid till February 25, 2023.

#### IV. Tax Related Approvals

##### A. Approvals obtained by the Company

| Sr. No. | Description                                       | Authority                                 | Registration Number                      | Date of Issue      | Date of Expiry        |
|---------|---|---|--|--------------------|-----------------------|
| 1.      | Tax Deduction and Collection Account Number (TAN) | Government of India                       | AHMA24375B                               | -                  | Valid until cancelled |
| 2.      | Permanent Account Number (PAN)                    | Government of India                       | AAWCA3138N                               | December 28, 2021. | Valid until cancelled |
| 3.      | Certificate of Importer-Exporter Code (IEC)       | Office of the Additional Director General | AHDIECPAMEND000<br>10453AM23<br>Code No. | June 29, 2022      | Valid until cancelled |

| Sr. No. | Description  | Authority                                       | Registration Number | Date of Issue     | Date of Expiry         |
|---------|--|---|---------------------|-------------------|------------------------|
|         |  | of Foreign Trade, Ahmedabad                     | AAWCA3138N          |                   |                        |
| 4.      | Certificate of registration under Central Goods and Service Tax Act, 2017 for premises situated at 908, 9 <sup>th</sup> Floor, Venus Atlantis Corporate, Park, Anandnagar, Prahladnagar, Ahmedabad, Gujarat, India, 380015.  | Government of India                             | 24AAWCA3138N1Z6     | December 28, 2021 | Valid until cancelled  |
| 5.      | Certificate of registration under Central Goods and Service Tax Act, 2017 for premises situated at Ground Floor, GF-23, Jaipur Electronic Market, Near Riddhi Siddhi, Jaipur, Rajasthan - 302018.  | Government of India                             | 08AAWCA3138N1Z0     | September 1, 2022 | Valid until cancelled  |
| 6.      | Certificate of Enrolment for Professional Tax with AMC Tax Tenement No. 07280624800001R under Section 5(2) of the Gujarat State Tax on Professions, Trades, Callings and Employment Act, 1976 issued to Chetan Mohan Joshi (Director, Aprameya Engineering Limited) for premises situated at 9 <sup>th</sup> FL, 908, Venus Atlantis, Prahladnagar Road, Vejalpur, Ahmedabad-51, Ahmedabad belonging to Aprameya Engineering Limited | Assistant Manager Amdavad Municipal Corporation | PEC010728003797     | April 25, 2022    | Valid until cancelled. |
| 7.      | Certificate of Registration for professional tax with AMC Tax Tenement No. 07280624800001R under Section 5(1) of the Gujarat State Tax on Professions, Trades, Callings and Employment Act, 1976 issued to the Director of Aprameya Engineering Limited for premises situated at 9 <sup>th</sup> FL, 908, Venus Atlantis, Prahladnagar Road, Vejalpur, Ahmedabad-51, Ahmedabad.  | Assistant Manager Amdavad Municipal Corporation | PRC010728001501     | June 2, 2022      | Valid until cancelled. |

## V. Labour Related Approvals

### A. Approval obtained under the Employees' Provident Fund Act and Miscellaneous Provisions Act, 1952

Allotment of code dated December 29, 2021 bearing no. GJAHD2546585000 under Employees' Provident Fund Act and Miscellaneous Provisions Act, 1952 issued to the Company by Employees' Provident Fund Organization. This code is valid until cancelled.



### B. Approval obtained under the Employees' State Insurance Act, 1948


Implementation letter and registration dated December 28, 2021 issued under Section 1(3)/1(5) of the Employees' State Insurance Act, 1948 to Aprameya Engineering Private Limited bearing code 37001281720000999 for the premises situated at 908, 9th Floor, Venus Atlantis Corporate, Park, Anandnagar, Prahladnagar, Ahmedabad, Ahmedabad, Gujarat, India, 380015. This implementation letter and registration is valid until cancelled.

### C. Approval obtained under Shops and Establishment Legislations

| Sr. No. | Description   | Authority  | Registration Number                             | Date of Issue   | Date of Expiry         |
|---------|---|--|---|-----------------|------------------------|
| 1.      | Registration certificate to trade medical equipment under the Gujarat Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2019 granted to the Company for premises 908, 9 <sup>th</sup> Floor, Venus Atlantis Corporate, Park, Anandnagar, Prahladnagar, Ahmedabad, Ahmedabad, Gujarat, India, 380015.<br><b>Name of establishment:</b> Aprameya Engineering Limited<br><b>Name of the employer:</b> Chetan Mohan Joshi<br><b>Number of employees:</b> 45<br><b>Nature of Business:</b> Trading of Medical Equipment | Assistant Manager of Ahmedabad Municipal Corporation South West Zone | PII/RHL/100000/0274633<br>(PRAHLADNAGARG ARDEN) | April 27, 2022  | Valid until cancelled  |
| 2.      | Registration Certificate issued to the Company under the Rajasthan Shops and Commercial Establishments Act, 1958 for premises at GF-23, Ground floor, Jaipur Electronic Market, Near Riddhi Siddhi, Gopalpura, Jaipur, Rajasthan.<br><b>Total no. of employees:</b> 3   | Inspector, Rajasthan Shops and Commercial Establishments Act, 1958.  | SCA/2022/14/135543                              | August 22, 2022 | Valid until cancelled. |

## VI. Pending Approvals

- As on the date of this Draft Red Herring Prospectus, an application dated June 22, 2022 bearing number 5500034 to register the trade mark “” was made by the Company before the Registrar of Trade Marks.
- As on the date of this Draft Red Herring Prospectus, an application dated June 22, 2022 bearing number 5500035 to register the trade mark “” was made by the Company before the Registrar of Trade Marks.

3. As on the date of this Draft Red Herring Prospectus, an application to obtain the certificate under Section 45(1) of the Copyright Act, 1957 for the artistic work “” was made by the Company before the Registrar of Trade Marks dated June 23, 2022.
4. The Company made an application dated July 29, 2022 to the Regional Office, E.S.I. Corporation, Ahmedabad to change its name from Aprameya Engineering Private Limited to Aprameya Engineering Limited.

## **VII. Applications yet to be made by the Company**

1. The Company is yet to provide an intimation under Section 7 of the Gujarat Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2019 to the Inspector for the following premises:
  - a. Unit No. 216, Second Floor, Gala Empire, Survey No. 49/3, Final Plot No. 113, T.P. Scheme No. 2, Memnagar, Ahmedabad.
  - b. Unit No. 215, Second Floor, Gala Empire, Survey No. 49/3, Final Plot No. 113, T.P. Scheme No. 2, Memnagar, Ahmedabad.
  - c. Unit No. 712, Seventh Floor, Venus Atlantis, Survey No. 1294, Final Plot No. 23/2, T.P. Scheme No. 27 of Vejalpur, Survey No. 1297, Final Plot No. 21, T.P. Scheme No. 27 of Vejalpur, Survey No. 1299/1, Final Plot No. 33, T.P. Scheme No. 27 of Vejalpur, Survey No. 1320, Final Plot No. 58/1 and 58/2, T.P. Scheme No. 27 of Vejalpur, Survey No. 1321, Final Plot No. 57/1 and 57/2, T.P. Scheme No. 27 of Vejalpur, Mouje (Sim) Vejalpur, Taluka Vejalpur, Ahmedabad – 10 (Vejalpur).
  - d. Unit No.4, 1<sup>st</sup> Floor, Shreyas Complex, Survey No. 2116, Final Plot No. 113, T.P Scheme No. 3, Nr. Dinesh Hall, Ashram Road, Ahmedabad – 38009.

## **OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **Authority for the Issue:**

#### **Corporate Approvals:**

The Board of Directors, pursuant to a resolution passed at their meeting held on August 03, 2022 authorized the Issue, subject to the approval of the shareholders of our Company under Section 62(1) (c) of the Companies Act, 2013, and such other authorities as may be necessary. The shareholders of our Company have, pursuant to a special resolution passed under Section 62(1) (c) of the Companies Act, 2013 at an Annual General Meeting held on August 06, 2022 authorized the Issue.

#### **In-principle listing Approvals:**

Our Company has obtained in-principle approval from the BSE and NSE for the listing of the Equity Shares pursuant to their approval letters dated [●] and [●], respectively.

#### **Prohibition by SEBI or other Governmental Authorities:**

We confirm that our Company, our Promoters, our Promoter Group, our Directors, or the person(s) in control of our Company are not prohibited from accessing capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

The listing of any securities of our Company has never been refused by any of the Stock Exchanges in India.

Neither of our Promoters and/or Directors are promoters, and/or directors of any other Company which is debarred from accessing the capital market by SEBI.

Our Directors have not been identified as a Wilful Defaulter nor declared as Fugitive Economic Offenders

#### **Association with Securities Market:**

None of our Directors are associated with the securities market and there has been no action taken by the SEBI against the Directors in the 5 years preceding the date of the Draft Red Herring Prospectus.

#### **Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018**

Under the SBO Rules certain persons who are 'significant beneficial owners', are required to intimate their beneficial holdings to our Company in Form no. BEN-1. As on date of Draft Red Herring Prospectus, there are no such significant beneficial owners in our Company.

#### **Eligibility for the Issue:**

Our Company is eligible for the Issue in accordance with Regulation 6(2) of the SEBI ICDR Regulations, which states as follows:

“An issuer not satisfying the condition stipulated in sub-regulation (1) shall be eligible to make an initial public offer only if the issue is made through the book-building process and the issuer undertakes to allot at least seventy five per cent of the net offer to qualified institutional buyers and to refund the full subscription money if it fails to do so.”

The Issue is being undertaken under Regulation 6(2) of the SEBI ICDR Regulations. We are therefore required to allot not less than 75% of the Issue Size to QIBs to meet the conditions as detailed under Regulation 6(2) of the SEBI ICDR Regulations. Further, not more than 15% of the Issue size shall be available for allocation to Non-Institutional Investors of which one-third of the Non-Institutional Category shall be available for allocation to Bidders with an application size of more than ₹ 200,000 and up to ₹ 1,000,000 and two-thirds of the Non-Institutional Category shall be available for allocation to Bidders with an application size of more than ₹ 1,000,000 provided that under-subscription in either of these two sub-categories of the Non-Institutional Category may be allocated to Bidders in the other sub-category of Non-Institutional Category in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. Further, not more than 10% of the Issue size shall be available for allocation to RIIs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. In the event we fail to do so, the full application

monies shall be refunded to the Bidders, in accordance with the SEBI ICDR Regulations.

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees under the Issue shall be not less than 1,000. Further, our Company is in compliance with the conditions specified in Regulation 5 of the SEBI ICDR Regulations, as follows:

1. Neither our Company nor the Promoters, the members of the Promoter Group, the Directors are debarred from accessing the capital markets by SEBI.
2. None of the Promoters or the Directors are promoters or directors of companies which are debarred from accessing the capital markets by SEBI.
3. None of our Company, our Promoters or Directors is a Willful Defaulter or Fraudulent Borrower by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters and fraudulent borrowers issued by the RBI; and
4. None of the Promoters or the Directors is a Fugitive Economic Offender.
5. There are no outstanding convertible securities or any other right which would entitle any person with any option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER, HEM SECURITIES LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED. 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 THIS DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGER ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 07, 2022 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED.**

**THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.**

All legal requirements pertaining to this Issue will be complied with at the time of filing of the Red Herring Prospectus with the RoC including in terms of Section 32 of the Companies Act. All legal requirements pertaining to this Issue will be complied with at the time of filing of the Prospectus with the RoC including in terms of Sections 26, 30, 32, 33(1) and 33(2) of the Companies Act.

**Statement on Price Information of Past Issues handled by Hem Securities Limited:**

| Sr. No. | Issue name                                    | Issue size (Rs in Cr.) | Issue Price (₹) | Listing date       | Opening Price on listing date | +/- % change in closing price, [+/- % change in closing benchmark]- |   |  |
|---------|---|------------------------|-----------------|--------------------|-------------------------------|---|---|--|
|         |   |                        |                 |                    |                               | 30 <sup>th</sup> calendar days from listing                         | 90 <sup>th</sup> calendar days from listing | 180 <sup>th</sup> calendar days from listing |
| 1.      | Knowledge Marine & Engineering Works Limited  | 10.12                  | 37.00           | March 22, 2021     | 38.00                         | 0.68%<br>[-3.40%]   | 31.08%<br>[5.63%]                           | 14.59%<br>[17.52%]                           |
| 2.      | EKI Energy Services Limited                   | 18.60                  | 102.00          | April 07, 2021     | 140.00                        | 225.20%<br>[-0.92%]   | 608.48%<br>[6.44%]                          | 3029.41%<br>[19.41%]                         |
| 3.      | DU Digital Technologies Limited               | 4.485                  | 65.00           | August 26, 2021    | 60.00                         | 53.85%<br>[7.32%]   | 113.85%<br>[4.68%]                          | 257.85%<br>[2.74%]                           |
| 4.      | Prevest Denpro Limited                        | 26.61                  | 84.00           | September 27, 2021 | 180.55                        | 186.61%<br>[1.77%]  | 270.83%<br>[-4.92%]                         | 323.51%<br>[-4.13%]                          |
| 5.      | Jainam Ferro Alloys (I) Limited               | 19.61                  | 70.00           | October 08, 2021   | 73.00                         | 3.57%<br>[0.97%]  | 21.43%<br>[-0.83%]                          | 137.86%<br>[-0.49%]                          |
| 6.      | Shri Venkatesh Refineries Ltd.                | 11.71                  | 40.00           | October 11, 2021   | 42.00                         | 9.50%<br>[0.36%]  | 47.88%<br>[-0.65%]                          | 215.00%<br>[-1.94%]                          |
| 7.      | KN Agri Resources Limited                     | 49.38                  | 75.00           | March 28, 2022     | 153.65                        | 212.40%<br>[-1.07%]   | 83.60%<br>[-9.70%]                          | N.A.   |
| 8.      | Krishna Defence and Allied Industries Limited | 11.89                  | 39.00           | April 06, 2022     | 75.00                         | 112.82%<br>[-7.84%]   | 30.54%<br>[-12.63%]                         | N.A.   |
| 9.      | Eighty Jewellers Limited                      | 11.07                  | 41.00           | April 13, 2022     | 42.00                         | 0.49%<br>[-9.51%]   | -3.02%<br>[-8.26%]                          | N.A.   |
| 10.     | Kesar India Limited                           | 15.82                  | 170.00          | July 12, 2022      | 172.50                        | 46.47%<br>[10.11%]  | N.A.  | N.A.   |

Source: Price Information [www.bseindia.com](http://www.bseindia.com) & [www.nseindia.com](http://www.nseindia.com), Issue Information from respective Prospectus.

**Summary statement of Disclosure:**

| Financial Year | Total no. of IPOs | Total amount of funds raised (₹ Cr.) | No. of IPOs trading at discount-30 <sup>th</sup> calendar days from listing |                |                | No. of IPOs trading at Premium-30 <sup>th</sup> calendar days from listing |                |                 | No. of IPOs trading at discount-180 <sup>th</sup> calendar days from listing |                |                 | No. of IPOs trading at Premium-180 <sup>th</sup> calendar days from listing |                |                |
|----------------|-------------------|--------------------------------------|---|----------------|----------------|--|----------------|-----------------|--|----------------|-----------------|---|----------------|----------------|
|                |                   |                                      | Ove r 50 %  | Bet we n 25- % | Less than 25 % | Ov er 50 %   | Bet we n 25- % | Les s than 25 % | Ove r 50 %   | Bet we n 25- % | Les s than 25 % | Ove r 50 %  | Bet we n 25- % | Less than 25 % |
|                |                   |                                      |   |                |                |  |                |                 |  |                |                 |   |                |                |

|         |                  |        |   | 50<br>% |   |   | 50<br>% | 25<br>% |   |   | 25<br>% |   | 50<br>% |   |
|---------|------------------|--------|---|---------|---|---|---------|---------|---|---|---------|---|---------|---|
| 2020-21 | 2 <sup>(1)</sup> | 17.02  | - | -       | - | - | -       | 2       | - | - | -       | 1 | -       | 1 |
| 2021-22 | 6 <sup>(2)</sup> | 130.40 | - | -       | - | 4 | -       | 2       | - | - | -       | 5 | -       | - |
| 2022-23 | 4 <sup>(3)</sup> | 38.78  | - | -       | - | 2 | 1       | 1       | - | - | -       | - | -       | - |

- 1) The scrip of Suratwala Business Group Limited and Knowledge Marine & Engineering Works Limited was listed on August 13, 2020 and March 22, 2021 respectively.
- 2) The scrip of EKI Energy Services Limited, DU Digital Technologies Limited, Prevest Denpro Limited, Jainam Ferro Alloys (I) Limited, Shri Venkatesh Refineries Ltd. and KN Agri Resources Limited was listed on April 7, 2021, August 26, 2021, September 27, 2021, October 08, 2021, October 11, 2021 and March 28, 2022 respectively. The scrip of KN Agri Resources Limited has not completed its 180th day from the date of its listing.
- 3) The scrip of Krishna Defence and Allied Industries Limited and Eighty Jewellers Limited was listed on April 06, 2022 and April 13, 2022 respectively. The scrip of Krishna Defence and Allied Industries Limited and Eighty Jewellers Limited has not completed its 180th days from the date of its listing. Further, the scrip of Kesar India Limited has not completed its 180th day from the date of listing.

**Note:**

- a) Based on date of listing.
- b) BSE SENSEX and CNX NIFTY have been considered as the benchmark index.
- c) Prices on BSE/NSE are considered for all of the above calculations.
- d) In case 30<sup>th</sup>/90<sup>th</sup>/180<sup>th</sup> day is not a trading day, closing price on BSE/NSE of the next trading day has been considered.
- e) In case 30<sup>th</sup>/90<sup>th</sup>/180<sup>th</sup> day, scrip are not traded then last trading price has been considered.
- f) N.A. – Period not completed.
- g) As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect max. 10 issues (initial public offerings managed by the lead manager. Hence, disclosures pertaining to recent 10 issues handled by lead manager are provided.

**Track Record of past issues handled by Hem Securities Limited**

For details regarding track record of the BRLM to the Issue as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the LM at: [www.hemsecurities.com](http://www.hemsecurities.com).

**Disclaimer from our Company, our Promoters, our Directors and the BRLM:**

Our Company, our Promoters our Directors and the BRLM accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our instance and anyone placing reliance on any other source of information, including our website, <https://www.aelhealth.com/>, would be doing so at his or her own risk.

The BRLM accept no responsibility, save to the limited extent as provided in the Issue Agreement and the Underwriting Agreement to be entered into between the Underwriters and our Company.

All information shall be made available by our Company and the BRLM to the Bidders and public at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding Centres or elsewhere. Neither our Company nor any member of the Syndicate shall be liable to the Bidders for any failure in uploading the Bids, due to faults in any software or hardware system, or otherwise; the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

The BRLM and its associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for our Company, our Promoters, members of the Promoter Group and their respective affiliates or associates in the ordinary course of business, and have engaged, or may in the future engage in investment banking transactions with our Company or their respective affiliates or associates for which they have received, and may in future receive compensation.

Bidders will be required to confirm, and will be deemed to have represented to our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares, and will not issue, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Underwriters, the BRLM and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

**Disclaimer in Respect of Jurisdiction:**

Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) at Ahmedabad, India only. The Issue is being made in India to persons resident in India (who are competent to contract under the Indian Contract Act, 1872, as amended), including Indian nationals resident in India, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, domestic Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), systemically important non-banking financial companies or trusts registered under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with IRDAI, permitted provident funds and pension funds, insurance funds set up and managed by the army and navy and insurance funds set up and managed by the Department of Posts, India) and permitted Non Residents including FPIs and Eligible NRIs, AIFs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares.

This Draft Red Herring Prospectus does not constitute an invitation to subscribe to or purchase the Equity Shares in the Issue in any jurisdiction, including India. Invitations to subscribe to or purchase the Equity Shares in the Issue will be made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Issue, which comprises the Red Herring Prospectus and the preliminary international wrap for the Issue, if the recipient is outside India. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Ahmedabad, Gujarat.

**No person outside India is eligible to Bid for Equity Shares in the Issue unless that person has received the preliminary offering memorandum for the Issue, which contains the selling restrictions for the Issue outside India.**

**The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in 'offshore transactions' in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such offers and sales are made.**

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

**Bidders are advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or 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 in accordance with applicable laws.**

**No action has been, or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus, shall, under any circumstances, create any implication that there has been no change in our affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.**

## **Eligibility and Transfer Restrictions**

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

**The Equity Shares have not been and will not be registered under the U.S. Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and applicable laws of the jurisdictions where such offers and sales occur.**

**Each purchaser of the Equity Shares in the Issue in India shall be deemed to:**

- represent and warrant to our Company, the BRLM and the Syndicate Members that it was outside the United States (as defined in Regulation S) at the time the offer of the Equity Shares was made to it and it was outside the United States (as defined in Regulation S) when its buy order for the Equity Shares was originated.
- represent and warrant to our Company, the BRLM and the Syndicate Members that it did not purchase the Equity Shares as result of any “directed selling efforts” (as defined in Regulation S).
- represent and warrant to our Company, the BRLM and the Syndicate Members that it bought the Equity Shares for investment purposes and not with a view to the distribution thereof. If in the future it decides to resell or otherwise transfer any of the Equity Shares, it agrees that it will not offer, sell or otherwise transfer the Equity Shares except in a transaction complying with Rule 903 or Rule 904 of Regulation S or pursuant to any other available exemption from registration under the U.S. Securities Act.
- represent and warrant to our Company, the BRLM and the Syndicate Members that if it acquired any of the Equity Shares as fiduciary or agent for one or more investor accounts, it has sole investment discretion with respect to each such account and that it has full power to make the foregoing representations, warranties, acknowledgements and agreements on behalf of each such account.
- represent and warrant to our Company, the BRLM and the Syndicate Members that if it acquired any of the Equity Shares for one or more managed accounts, that it was authorized in writing by each such managed account to subscribe to the Equity Shares for each managed account and to make (and it hereby makes) the representations, warranties, acknowledgements and agreements herein for and on behalf of each such account, reading the reference to “it” to include such accounts.
- agree to indemnify and hold the Company, the BRLM and the Syndicate Members harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations, warranties or agreements. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares.
- acknowledge that our Company, the BRLM, the Syndicate Members and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements.

**Bidders are advised to ensure that any Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.**

Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or 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.

### **Disclaimer clause of BSE**

As required, a copy of this Draft Red Herring Prospectus shall be submitted to BSE. The disclaimer clause as intimated by BSE to us post scrutiny of this Draft Red Herring Prospectus shall be included in the Red Herring Prospectus and the Prospectus prior to filing with the RoC.

### **Disclaimer clause of NSE**

As required, a copy of this Draft Red Herring Prospectus shall be submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to filing with the RoC.

**Listing:**

The Equity Shares issued through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Application has been made to the BSE Limited and the National Stock Exchange of India Limited (the “Stock Exchanges”) for obtaining permission for listing and trading of the Equity Shares being offered and sold in the Issue and [●] is the Designated Stock Exchange for the purpose of the Issue, with which the Basis of Allotment will be finalized for the Issue.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of this Draft Red Herring Prospectus in accordance with applicable law. If such money is not repaid within the prescribed time, then our Company and every officer in default shall be liable to repay the money, with interest, as prescribed under applicable law. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at Stock Exchanges are taken within six Working Days of the Bid/Issue Closing Date. If our Company does not allot Equity Shares pursuant to the Issue within six Working Days from the Bid/Issue Closing Date or within such timeline as prescribed by SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period.

**Impersonation**

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act 2013, which is reproduced below:

*“Any person who –*

*(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or*

*(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*

*(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447”*

The liability prescribed under Section 447 of the Companies Act 2013 includes imprisonment for a term of not less than 6 (six) months extending up to 10 (ten) years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

**Consents:**

Consents in writing of our Directors, our Company Secretary and Compliance Officer, our Chief Financial Officer, Legal Advisor to the Issue, the Bankers/ Lenders to our Company, Statutory Auditors and the Registrar to the Issue have been obtained; and the consents in writing of the Syndicate Members, Escrow Collection Banks, Public Issue Account Bank, Refund Bank, and Sponsor Bank to act in their respective capacities, will be obtained. Further, such consents shall not be withdrawn up to the time of filing of the Red Herring Prospectus with RoC as required under the Companies Act, and such consents, which have been obtained, have not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus.

**Experts Opinion:**

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

Our Company has received written consent dated September 05, 2022 from M/s. CNK & Associates LLP, Chartered Accountants from our Statutory Auditors to include their name in this Draft Red Herring Prospectus as an “expert” as defined under Section 2(38) read with Section 26 of the Companies Act 2013 to the extent and in their capacity as the statutory auditor of our Company and in respect of their examination report on our Restated Financial Statements dated August 24, 2022 and in respect of the Statement of Possible Special Tax Benefits dated August 27, 2022. The consent has not been withdrawn as of the date of this Draft Red Herring Prospectus.

**Particulars regarding public or rights issues by our Company during the last five (5) years**

Our Company has not made any public or rights issues during the five (5) years preceding the date of this Draft Red Herring Prospectus.

#### **Commission or brokerage on previous issues of the Equity Shares during the last five years**

Since this is the initial public offering of the Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure public subscription for any of our Equity Shares in the five years immediately preceding the date of this Draft Red Herring Prospectus.

#### **Particulars regarding public or rights issues undertaken by subsidiaries, group companies or associates during the last three years**

Our group companies are not listed on any stock exchange. Further, we do not have any subsidiaries or associate company.

#### **Capital issues during the preceding three years**

Except as disclosed in the section titled "Capital Structure" on page 63, our Company has not made any capital issues during the three years immediately preceding the date of this Draft Red Herring Prospectus.

#### **Performance vis-à-vis objects-Public/ rights issue of our Company**

Our Company has not undertaken any public, including any rights issues to the public in the five years immediately preceding the date of this Draft Red Herring Prospectus.

#### **Performance vis-à-vis objects: Public/ rights issue of the listed Subsidiaries**

As of the date of this Draft Red Herring Prospectus, our Company does not have a subsidiary company

#### **Stock market data of the Equity Shares**

This being the initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange as on the date of this Draft Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

#### **Mechanism for redressal of investor grievances**

The Registrar Agreement provides for retention of records with the Registrar to the Issue in order to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

Investors can contact the Company Secretary and Compliance Officer, the Book Running Lead Manager 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, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Issue related queries and for redressal of complaints, Bidders may also write to the BRLM or the Registrar to the Issue, in the manner provided below.

In terms of SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018 and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, under the 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 the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, investors shall be compensated by the SCSBs in the events of delayed unblock for cancelled/withdrawn/deleted applications, blocking of multiple amounts for the same ASBA application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially-allotted applications within the stipulated period. The SCSBs shall be liable to compensate investors at a rate higher of ₹100 per day or 15% per annum of the specified amount for the period of such delay. In an event there is a delay in redressal of investor grievances in relation to unblocking of amounts beyond the date of receipt of the complaint, subject to and in accordance with the provisions of the 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, the Book Running Lead Manager shall be liable

to compensate the investors at the rate higher of ₹100 per day or 15% per annum of the application amount for the period of such delay, to the extent applicable. Further, in terms of SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022. The payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the Book Running Lead Manager, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

All grievances, other than of Anchor Investors may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the Bid cum Application Form was submitted, giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Bidders who make the payment of Bid Amount through the UPI Mechanism), date of Bid cum Application Form and the name and address of the relevant Designated Intermediary where the Bid was submitted. Further, the Bidder 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 Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue. In case of any grievance/ concerns, the Syndicate Members or the investors may also reach out to the Book Running Lead Manager on their dedicated email-ids mentioned on the cover page.

All grievances of the Anchor Investors may be addressed to the Registrar to the Issue, giving full details such as the name of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the relevant Book Running Lead Manager where the Bid cum Application Form was submitted by the Anchor Investor. Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned herein. Our Company, the Book Running Lead Manager and the Registrar to the Issue accept no responsibility for errors, omissions, commission of any acts of the Designated Intermediaries, including any defaults in complying with its obligations under the SEBI ICDR Regulations.

#### **Disposal of investor grievances by our Company**

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible. Our Company shall, post the filing of this Draft Red Herring Prospectus, apply for the authentication on the SCORES in terms of the SEBI circular no. CIR/OIAE/1/2014 dated December 18, 2014, the SEBI circular no. SEBI/HO/OIAE/IGRD/CIR/P/2019/86 dated August 2, 2019, and the SEBI circular no. SEBI/HO/OIAE/IGRD/CIR/P/2021/642 dated October 14, 2021 issued by SEBI in relation to redressal of investor grievances through SCORES.

Our Company has appointed **Vijay Kishorbhai Jotani**, our Company Secretary, as our Compliance Officer. For details, please see the section entitled "General Information" on page 56.

Further, the Board has constituted a Stakeholders' Relationship Committee, which is responsible for redressal of grievances of the security holders of our Company. For more information, see "Our Management" on page 129. Our Company has not received any investor grievances during the three years preceding the date of this Draft Red Herring Prospectus and as on date, there are no investor complaints pending.

Further, there are no investor complaints pending on the date of filing the draft offer document in respect of our group companies.

#### **Exemption from complying with any provisions of securities laws granted by the SEBI**

Our Company has not applied for or received any exemption from complying with any provisions of securities laws from SEBI.

## **SECTION VII – ISSUE INFORMATION**

### **TERMS OF THE ISSUE**

*The Equity Shares being Issued are subject to the provisions of the Companies Act, SCRA, SCRR, SEBI (ICDR) Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of the Draft Red Herring Prospectus, Prospectus, the abridged prospectus, Bid-Cum-Application Form, any Confirmation of Allocation Note (“CAN”), the Revision Form, Allotment advices, and other terms and conditions as may be incorporated in the Allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the GoI, the Stock Exchange, the RoC, the RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, RBI, the GoI, the Stock Exchange, the RoC and/or any other authorities while granting its approval for the Issue.*

#### **Ranking of Equity Shares**

The Equity Shares being issued and allotted in the Issue will be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, the SEBI Listing Regulations, the SCRA, the SCRR, the Memorandum of Association and the Articles of Association and will rank pari passu with the existing Equity Shares, including in respect of dividends and other corporate benefits, if any, declared by our Company after the date of Allotment in accordance with Companies Act and Articles of Association. For more information, see “Dividend Policy” and “Main Provisions of the Articles of Association” on pages 151 and 287.

#### **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations and any other rules, regulations or guidelines as may be issued by the Government of India in connection thereto and as per the recommendation by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act and our Articles of Association. For further details, please refer to section titled “*Dividend Policy*” and “*Main Provisions of Article of Association*” beginning on page 151 and 287 respectively of this Draft Red Herring Prospectus.

#### **Face Value, Issue Price and Price Band**

The face value of each Equity Share is ₹ 10 and the Floor Price is ₹ [●] per Equity Share and the Cap Price is ₹ [●] per Equity Share. The Anchor Investor Issue Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot size will be decided by our Company in consultation with the BRLM, and will be advertised, at least two Working Days prior to the Bid/ Issue Opening Date, in all editions of [●], a widely circulated English national daily newspaper and all editions of [●], a widely circulated Hindi national daily newspaper and edition of [●] (a widely circulated Gujarati newspaper, Gujarati being the regional language of Gujarat where our registered office is situated and shall be made available to the Stock Exchanges for the purpose of uploading on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre filled in the Bid cum Application Forms available on the website of the Stock Exchanges. The Issue Price shall be determined by our Company in consultation with the BRLM, after the Bid/Issue Closing Date, on the basis of assessment of market demand for the Equity Shares issued by way of Book Building Process. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

#### **Compliance with SEBI ICDR Regulations**

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

#### **Compliance with Disclosure and Accounting Norms.**

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

## **Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- a) Right to receive dividend, if declared;
- b) Right to attend general meetings and exercise voting rights, unless prohibited by law;
- c) Right to vote on a poll either in person or by proxy or 'e-voting', in accordance with the provisions of the Companies Act;
- d) Right to receive offer for rights shares and be allotted bonus shares, if announced;
- e) Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- f) Right of freely transfer the Equity Shares subject to any RBI rules, foreign exchange regulations and other applicable laws; and
- g) Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI LODR and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/ or consolidation/ splitting, etc., please refer to section titled "*Main Provisions of the Articles of Association*" beginning on page 287 of this Draft Red Herring Prospectus.

## **Allotment only in Dematerialized Form**

Pursuant to Section 29 of the Companies Act, 2013 and the SEBI ICDR Regulations, the Equity Shares shall be allotted only in dematerialised form to all Bidders.

In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated May 16, 2022 between NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated May 05, 2022 between CDSL, our Company and Registrar to the Issue.

## **Market Lot and Trading Lot**

Since trading of the Equity Shares is in dematerialized form, the tradable lot is one Equity Share. Allotment in the Issue will be in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares. For the method of basis of allotment, please see "Issue Procedure" on page 267.

## **Joint Holders**

Subject to provisions of our Articles of Association, 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**

The courts of Ahmedabad, India will have exclusive jurisdiction in relation to this Issue.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933 ("Securities Act") and may not be offered or sold within the United States (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered and sold outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.**

## **Nomination Facility to Investor**

In accordance with Section 72 of the Companies Act, 2013 read with Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages

to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

Any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- (a) to register himself or herself as the holder of the Equity Shares; or
- (b) 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 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

### **Withdrawal of the Issue**

Our Company, in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Fresh Issue, in whole or in part thereof, after the Bid/Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed. The Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs and the Sponsor Bank (in case of Bidders using the UPI Mechanism), to unblock the bank accounts of the ASBA Bidders and the Escrow Collection Bank to release the Bid Amounts to the Anchor Investors, within one Working Day from the date of receipt of such notification and also inform the Bankers to the Issue to process refunds to the Anchor Investors, as the case may be.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment; and (ii) filing of the Red Herring Prospectus with the RoC. If our Company, in consultation with the Book Running Lead Manager withdraws the Issue after the Bid/Issue Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI.

### **Period of Subscription List of Public Issue**

| <b>Event</b>   | <b>Indicative Dates</b> |
|--|-------------------------|
| Bid/Issue Opening Date   | [●]                     |
| Bid/Issue Closing Date   | [●]                     |
| Finalization of Basis of Allotment with the Designated Stock Exchange                                    | On or about [●]         |
| Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI Id Linked Bank Account* | On or about [●]         |
| Credit of Equity Shares to Demat Accounts of Allottees   | On or about [●]         |
| Commencement of Trading of The Equity Shares on the Stock Exchange                                       | On or about [●]         |

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

*\*In case of (i) 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 for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated by the intermediary responsible for causing such delay in unblocking in accordance with applicable law, at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding*

platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding four Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Bid/Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, and SEBI Circular No: SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/76 dated May 30, 2022 to the extent applicable, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No: SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/76 dated May 30, 2022.

**The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager.**

**While our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within 6 Working Days of the Bid/Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws.**

In terms of the UPI Circulars, in relation to the Issue, the BRLM will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within six Working Days from the Bid/Issue Closing Date, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

**SEBI is in the process of streamlining and reducing the post Issue timeline. Any circulars or notifications from SEBI after the date of the Draft Red Herring Prospectus may result in changes to the above mentioned timelines. Further, the issue procedure is subject to change to any revised SEBI circulars to this effect.**

Submission of Bids (other than Bids from Anchor Investors):

| <b>Bid/Issue Period (except the Bid/Issue Closing Date)</b> |  |
|---|--|
| Submission and Revision in Bids                             | Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("IST")) |
| <b>Bid/Issue Closing Date*</b>                              |  |
| Submission and Revision in Bids                             | Only between 10.00 a.m. and 3.00 p.m. IST                            |

\*UPI mandate end time and date shall be at 5.00pm on [●]

**On the Bid/Issue Closing Date, the Bids shall be uploaded until:**

- a. 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- b. 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by RIBs.

On Bid/Issue Closing Date, extension of time may be granted by Stock Exchanges only for uploading Bids received by Retail Individual Bidders, after taking into account the total number of Bids received and as reported by the Book Running

Lead Manager to the Stock Exchanges.

The Registrar to the Issue shall submit the details of cancelled/withdrawn/deleted applications to the SCSB's on daily basis within sixty (60) minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSB's shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the Registrar to the Issue.

To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids.

**It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account would be rejected.**

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and in any case no later than 3:00 p.m. IST on the Bid/ Issue Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Issue Closing Date, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids and revisions in Bids will be accepted only during Working Days. Bids will be accepted only during Monday to Friday (excluding any public holiday), during the Bid/Issue period. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges.

Investors may please note that as per letter no. List/SMD/SM/2006 dated July 3, 2006 and letter no. NSE/IPO/25101-6 dated July 6, 2006 issued by BSE and NSE respectively, Bids and any revision in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges. None among our Company or any member of the Syndicate is liable for any failure in (i) uploading or downloading of the Bids due to faults in any software/ hardware system or otherwise; and (ii) the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

Our Company, in consultation with the Book Running Lead Manager reserve the right to revise the Price Band during the Bid/Issue Period in accordance with the SEBI ICDR Regulations. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price will not be less than the face value of the Equity Shares. In all circumstances, the Cap Price shall be at least 105% of the Floor Price.

In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

**In case of revision in the Price Band, the Bid/Issue Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/Issue Period for a minimum of 3 Working Days, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release and also by indicating the change on the websites of the Book Running Lead Manager and at the terminals of the Syndicate Members and by intimation to the Designated Intermediaries and Sponsor Banks, as applicable. In case of revision of price band, the Bid lot shall remain the same.**

#### **Minimum Subscription**

In the event our Company does not receive (i) a minimum subscription of 90% of the Issue, or (ii) a subscription in the Issue equivalent to at least 25% post-Issue paid up Equity Share capital of our Company, as specified under Rule 19(2)(b) of the SCRR or if the subscription level falls below the thresholds mentioned above after the Bid/Issue Closing Date, on account of withdrawal of applications or after technical rejections, or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares being issued under the Red Herring Prospectus, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond 15 (fifteen) days after the issuer becomes liable to pay the amount, our Company to the extent applicable, shall pay interest at the rate of 15% per annum including the SEBI circular bearing no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021."

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Bidders to whom the Equity Shares will be allotted will be not less than 1,000, failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders and the subscription money shall be refunded, as applicable. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, our Company shall be liable to pay interest on the application money in accordance with the applicable law.

**Arrangements for disposal of odd lots**

Since our Equity Shares will be traded in dematerialized form only and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

**New Financial Instruments**

Our Company is not issuing any new financial instruments through this Issue.

**Restrictions on transfer and transmission of equity shares and on their consolidation or splitting**

Except for lock-in of the Pre- Issue Equity Shares and minimum promoters' contribution and lock-in of shares allotted to Anchor Investor as detailed under section titled "*Capital Structure*" beginning on page 63 of this Draft Red Herring Prospectus, and except as provided in the Articles of Association of our Company, there are no restrictions on transfer and transmission of shares/ debentures and on their consolidation/ splitting except as provided in the Articles of Association. For further details, please refer to section titled "*Main Provisions of the Articles of Association*" beginning on page 287 of this Draft Red Herring Prospectus.

## ISSUE STRUCTURE

Initial Public Offer of upto 50,00,000 Equity Shares of ₹ 10 each (the “**Equity Shares**”) for cash at a price of ₹ [●] per Equity Share (including a Share Premium of ₹ [●] per Equity Share), aggregating up to ₹ [●] Lakhs (“**the Issue**”) by the Company. The Issue will constitute [●] % of the post Issue paid up equity share capital of the Company.

The Issue is being made through the Book Building Process. The Issue shall be made in compliance with Rule 19(2) (b) of SCRR read with Regulation 31 of the SEBI ICDR Regulations.

| Particulars of the Issue  | QIBs*   | Non-Institutional Investors  | Retail Individual Investors   |
|---|---|--|---|
| <b>Number of Equity Shares available for allocation **</b>                | Not less than [●] Equity Shares   | Not more than [●] Equity Shares available for allocation or Issue less allocation to QIB Bidders and RIIs  | Not more than [●] Equity Shares available for allocation or Issue less allocation to QIB Bidders and NIIs   |
| <b>Percentage of Issue Size available for allotment/allocation</b>        | Not less than 75% of the Issue size shall be allotted to QIB Bidders. However, up to 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion (excluding the Anchor Investor Portion). The unsubscribed portion in the Mutual Fund Portion will be available for allocation to other QIBs | Not more than 15% of the Issue size or the Issue less allocation to QIB Bidders and Retail Individual Bidders will be available for allocation to Non-Institutional Investors. Further, one-third of the Non-Institutional Category will be made available for allocation to Non-Institutional Investors with an application size of more than ₹200,000 and upto ₹1,000,000 and two-thirds of the Non-Institutional Category will be available for allocation to Non-Institutional Investors with an application size of more than ₹1,000,000 and under-subscription in either of these two sub-categories of the Non-Institutional Category may be allocated to Non-Institutional Investors in the other sub-category of the Non-Institutional Category in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. | Not more than 10% of the Issue or Issue size less allocation to QIBs and Non-Institutional Bidders will be available for allocation   |
| <b>Basis of Allotment allocation if respective category is subscribed</b> | Proportionate as follows (excluding the Anchor Investor Portion):<br>(a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and<br>(b) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including  | The allocation to each Non-Institutional Investor shall not be less than the minimum application size viz. [●] Equity Shares subject to the availability of Equity Shares in Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allocated on a proportionate basis, subject to valid Bids being received at or above the   | Proportionate, subject to minimum Bid lot. The allotment to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For details, see “ <i>Issue Procedure</i> ” beginning on page 267. |

| Particulars of the Issue     | QIBs*  | Non-Institutional Investors  | Retail Individual Investors   |
|------------------------------|--|--|---|
|                              | Mutual Funds receiving allocation as per (a) above. Up to [●] Equity Shares) may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Domestic Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price  | Issue Price, in accordance with the SEBI ICDR Regulations.   |   |
| <b>Mode of Allotment</b>     | Compulsorily in dematerialized form.   |  |   |
| <b>Minimum Bid Size</b>      | Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹ 200,000   | Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹ 200,000   | [●] Equity Shares and in multiples of [●] Equity Shares thereafter  |
| <b>Maximum Bid Size</b>      | Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Issue, subject to applicable limits   | Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Issue, subject to applicable limits   | Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹200,000  |
| <b>Bid and Allotment Lot</b> | [●] Equity Shares and in multiples of [●] Equity Shares thereafter   |  |   |
| <b>Trading Lot</b>           | One Equity Share   |  |   |
| <b>Who can Apply ***</b>     | Public financial institutions as specified in Section 2(72) of the Companies Act 2013, scheduled commercial banks, multilateral and bilateral development financial institutions, mutual fund registered with SEBI, FPIs other than individuals, corporate bodies and family offices, VCFs, AIFs, FVCIs, state industrial development corporation, insurance companies registered with IRDAI, provident fund (subject to applicable law) with minimum corpus of ₹ 2,500 lakhs, pension fund with minimum corpus of ₹ 2,500 lakhs, in accordance with applicable law and National Investment Fund set up by the Government of India, insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and systemically important NBFC. | Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions societies and trusts, FPIs who are individuals, corporate bodies and family offices which are classified as Category II FPIs and registered with SEBI such that the Bid Amount exceeds ₹ 200,000 in value. | Resident Indian Individuals, Eligible NRIs, HUF (in the name of Karta) applying for Equity Shares such that the Bid Amount does not exceed ₹ 2,00,000 in value. |

| Particulars of the Issue        | QIBs*  | Non-Institutional Investors | Retail Individual Investors |
|---------------------------------|--|-----------------------------|-----------------------------|
| <b>Terms of Payment</b><br>**** | <b>In case of all other Bidders:</b> Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form.<br><b>In case of Anchor Investors:</b> Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids |                             |                             |
| <b>Mode of Bid</b>              | Only through the ASBA process (except for Anchor Investors).<br>Further, Non-Institutional Investors for an application size of upto ₹ 500,000 & Retail Individual Investors may also apply using UPI Mechanism.<br><i>UPI Bidders are advised to confirm the availability of the UPI Mechanism with their respective brokers, prior to submission of Bids.</i>  |                             |                             |

Assuming full subscription in the Issue.

\*Our Company, in consultation with the Book Running Lead Manager, may allocate up to 60% of the QIB Category to Anchor Investors at the price at which allocation is made to Anchor Investors, on a discretionary basis, subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹100 million, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹100 million but up to ₹2,500 million under the Anchor Investor Portion, subject to a minimum Allotment of ₹50 million per Anchor Investor, and (iii) in case of allocation above ₹2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million or part thereof will be permitted, subject to minimum allotment of ₹50 million per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹100 million. One-third of the Anchor Investor Portion will be reserved for domestic Mutual Funds, subject to valid Bids being received at or above the price at which allocation is made to Anchor Investors. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion.

\*\*Subject to valid Bids being received at or above the Issue Price. This is an Issue in terms of Rule 19(2) (b) of the SCRR read with Regulation 45 of the SEBI ICDR Regulations. The Issue is being made through the Book Building Process in compliance with Regulation 6(2) of the SEBI ICDR Regulations.

\*\*\*In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. The relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids, in any or all categories. The Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

\*\*\*\*Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Bid cum Application Form, provided that any difference between the price at which Equity Shares are allocated to the Anchor Investors and the Anchor Investor Issue Price, shall be payable on the Anchor Investor Pay-in Date as mentioned in the CAN. In case the Issue Price is lower than the Anchor Investor Allocation Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them. For further information on terms of payment applicable to Anchor Investors, see "Issue Procedure" on page 267.

Under-subscription, if any, in any category except the QIB Category, would be met with spill-over from the other categories at the discretion of our Company, in consultation with the Book Running Lead Manager and the Designated Stock Exchange. Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares under the Issue.

Bids by FPIs with certain structures as described under "Issue Procedure" beginning on page 267 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

**In case of any revision in the Price Band, the Bid/ Issue Period shall be extended for at least 3 (three) additional Working Days after such revision of the Price Band, subject to the total Bid/ Issue Period not exceeding 10 (ten) Working Days. Any revision in the Price Band, and the revised Bid/ Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a press release and also by indicating the change on the websites of the BRLM and at the terminals of the members of the Syndicate.**

*In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.*

## ISSUE PROCEDURE

All Bidders should read the General Information Document for Investing in Public Issue prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the "General Information Document"), which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the Abridged Prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the issue, (ii) maximum and minimum Bid size, (iii) price discovery and allocation, (iv) general instructions for ASBA Bidders, (v) issuance of Confirmation of Allocation Note and Allotment in the Issue, (vi) payment instructions (limited to instructions for completing the Bid cum Application Form), (vii) Designated Date, (viii) disposal of applications, (ix) submission of Bid cum Application Form, (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds), (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications, (xii) mode of making refunds, and (xiii) interest in case of delay in Allotment or refund.

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, introduced an alternate payment mechanism using "Unified Payments Interface ("UPI")" and consequent reduction in timelines for listing in a phased manner. UPI has been introduced in a phased manner as a payment mechanism with the ASBA for applications by Retail Individual Investors through intermediaries from January 1, 2019. The UPI Mechanism for Retail Individual Investors applying through Designated Intermediaries, in phase I, was effective along with the prior process and existing timeline of T+6 days ("UPI Phase I"), until June 30, 2019. Subsequently, for applications by Retail Individual Investors through Designated Intermediaries, the process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days is applicable for a period of three months or launch of five main board public issues, whichever is later ("UPI Phase II"). Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for UPI Phase II till March 31, 2020. However, given the prevailing uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for UPI Phase II till further notice from SEBI. Thereafter, the final reduced timeline of T+3 days will be made effective using the UPI Mechanism for applications by Retail Individual Investors ("UPI Phase III"), as may be prescribed by SEBI. Accordingly, the Issue will be made under UPI Phase II of the SEBI UPI Circulars, subject to any circulars, clarification or notification issued by SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular shall come into force for initial public offers opening on or after May 1, 2021 except as set out in circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and the provisions of this circular are deemed to form part of this Draft Red Herring Prospectus.

Furthermore, pursuant to circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism. This circular has come into force for initial public offers opening on or after May 1, 2022 and the provisions of this circular are deemed to form part of this Draft Red Herring Prospectus.

The BRLM shall be the nodal entity for any issues arising out of the public issuance process. In terms of Regulation 23(5) and Regulation 271 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead Manager shall continue to coordinate with intermediaries involved in the said process.

Our Company and the Syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as

*specified in the Red Herring Prospectus. Further, our Company and the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Issue.*

### **Book Building Procedure**

The Issue is being made in terms of Rule 19(2)(b) of the SCRR through the Book Building Process in accordance with Regulation 6(2) of the SEBI ICDR Regulations wherein not less than 75% of the Net shall be Allotted on a proportionate basis to QIBs, provided that our Company may, in consultation with the BRLM, allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allotment in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Category. Further, 5% of the Net QIB Category shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Category shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not more than 15% of the Net Issue shall be available for allocation to Non-Institutional Investors of which one-third of the Non-Institutional Category shall be available for allocation to Bidders with an application size of more than ₹ 200,000 and up to ₹1,000,000 and two-thirds of the Non-Institutional Category shall be available for allocation to Bidders with an application size of more than ₹1,000,000 provided that under-subscription in either of these two sub-categories of Non-Institutional Category may be allocated to Bidders in the other sub-category of Non-Institutional Category in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. Further, not more than 10% of the Net Issue shall be available for allocation to RIIs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

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

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

**Investors should note that the Equity Shares will be allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID and PAN, and UPI ID (for UPI Bidders Bidding through the UPI Mechanism), shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Issue, subject to applicable law.**

**Investors must ensure that their PAN is linked with Aadhaar and are in compliance with the notification dated February 13, 2020 issued by the Central Board of Direct Taxes and the press release dated June 25, 2021.**

### **Phased implementation of UPI**

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of, among others, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by UPI Bidders through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till

June 30, 2019. Under this phase, a Retail Individual Investor had the option to submit the ASBA Form with any of the Designated Intermediary and use his/her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

**Phase II:** This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI, vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, has decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Subsequently, SEBI, vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, extended the timeline for implementation of UPI Phase II till further notice. Under this phase, submission of the ASBA Form by UPI Bidders through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020 decided to continue Phase II of UPI with ASBA until further notice.

**Phase III:** The commencement of this phase is yet to be notified by SEBI. In this phase, the time duration from public issue closure to listing would be reduced to three Working Days. Accordingly, upon commencement of Phase III, the reduced time duration shall be applicable for the Issue.

Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints in this regard, the relevant SCSB as well as the post – Issue BRLM will be required to compensate the concerned investor.

The Issue will be made under UPI Phase II of the SEBI UPI Circulars, unless UPI Phase III of the SEBI UPI Circulars becomes effective and applicable on or prior to the Bid/ Issue Opening Date. If the Issue is made under UPI Phase III of the SEBI UPI Circulars, the same will be advertised in [●] editions of [●], an English national daily newspaper, [●] editions of [●], a Hindi national daily newspaper and [●] editions of [●], a Gujarati daily newspaper (Gujarati being the regional language of Gujarat, where our Registered Office is located), each with wide circulation, on or prior to the Bid/ Issue Opening Date and such advertisement shall also be made available to the Stock Exchanges for the purpose of uploading on their websites.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI. Our Company will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and/or payment instructions of the UPI Bidders using the UPI.

Non-Institutional Bidders Bidding with an application size of up to ₹ 500,000 in the Non-Institutional Portion may also Bid using the UPI Mechanism, where made available.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks make an application as prescribed in Annexure I of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

Further, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, all UPI Bidders applying in public issues where the application amount is up to ₹500,000 shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with any of the entities mentioned herein below:

- i. a Syndicate Member;
- ii. a stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity);
- iii. a Depository Participant (whose name is mentioned on the website of the stock exchange as eligible for this activity);
- iv. a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock

exchange as eligible for this activity).

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLM.

### **Bid cum Application Form**

Copies of the Bid cum Application Form (other than for Anchor Investors) and the Abridged Prospectus will be available with the Designated Intermediaries at relevant Bidding Centres and at the Registered and Corporate Office. The electronic copy of the Bid cum Application Forms will also be available for download on the websites of NSE ([www.nseindia.com](http://www.nseindia.com)) and BSE ([www.bseindia.com](http://www.bseindia.com)) at least one day prior to the Bid/Issue Opening Date.

For Anchor Investors, the Bid cum Application Forms will be available at the offices of the BRLM.

Bidders (other than Anchor Investors) must compulsorily use the ASBA process to participate in the Issue. Anchor Investors are not permitted to participate in this Issue through the ASBA process.

All ASBA Bidders must provide either, (i) bank account details and authorisation to block funds in the ASBA Form, or (ii) the UPI ID (in case of UPI Bidders), as applicable, in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details will be rejected. Applications made by the UPI Bidders using third party bank account or using third party linked bank account UPI ID are liable for rejection.

UPI Bidders Bidding using the UPI Mechanism must provide the UPI ID in the relevant space provided in the Bid cum Application Form. Bid cum Application Forms that do not contain the UPI ID are liable to be rejected. UPI Bidders Bidding using the UPI Mechanism may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of SEBI.

Further, Bidders shall ensure that the Bids are submitted at the Bidding Centres only on Bid cum Application Forms bearing the stamp of a Designated Intermediary (except in case of electronic Bid cum Application Forms) and Bid cum Application Forms not bearing such specified stamp may be liable for rejection.

ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSBs or the Sponsor Bank(s), as applicable, at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked including details as prescribed in Annexure II of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

The prescribed colour of the Bid cum Application Forms for various categories is as follows:

| <b>Category</b>  | <b>Colour of Bid cum Application Form*</b> |
|--|--|
| Resident Indians including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis <sup>^</sup> | [●]  |
| Non-Residents including FPIs, Eligible NRIs, FVCIs and registered bilateral and multilateral institutions applying on a repatriation basis <sup>^</sup>                | [●]  |
| Anchor Investors**   | [●]  |

\* Excluding electronic Bid cum Application Forms.

\*\* Bid cum Application Forms for Anchor Investors will be made available at the office of the BRLM.

<sup>^</sup> Electronic Bid cum Application Forms and the Abridged Prospectus will also be available for download on the website of NSE ([www.nseindia.com](http://www.nseindia.com)) and BSE ([www.bseindia.com](http://www.bseindia.com)).

In case of ASBA Forms, the relevant Designated Intermediaries shall upload the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges. Subsequently, for ASBA Forms (other than UPI Bidders using UPI Mechanism), Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank. Stock Exchanges shall validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a realtime basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

For UPI Bidders using the UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to UPI Bidders for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders (Bidding through UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Bank and the issuer bank. The Sponsor Bank and the Bankers to the Issue shall provide the audit trail to the BRLM for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021.

The Sponsor Bank will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the BRLM in the format and within the timelines as specified under the SEBI UPI Circulars. Sponsor Bank and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Bank(s) on a continuous basis.

In accordance with BSE Circular No: 20220803-40 and NSE Circular No: 25/2022, each dated August 3, 2022, for all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Bid/Offer Closing Date (“Cut-Off Time”). Accordingly, UPI Bidders Bidding using through the UPI Mechanism should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse.

The Sponsor Bank shall host a web portal for intermediaries (closed user group) from the date of Bid/Issue Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Issue Bidding process.

#### **Electronic registration of Bids**

- a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Issue.
- b) On the Bid/Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.
- c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment.

#### **Participation by the Promoters, the members of the Promoter Group, the BRLM, the Syndicate Members and persons related to the Promoters/the members of the Promoter Group/the BRLM**

The BRLM and the Syndicate Members shall not be allowed to purchase the Equity Shares in any manner, except towards fulfilling their underwriting obligations. However, the respective associates and affiliates of the BRLM and the Syndicate Members may purchase Equity Shares in the Issue, either in the QIB Category, where the allocation is on a proportionate basis, or the Non-Institutional Category, as may be applicable to such Bidders, and such subscription may be on their own account or on behalf of their clients. All categories of investors, including respective associates or affiliates of the BRLM and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except as stated below, neither the BRLM nor any associate of the BRLM can apply in the Issue under the Anchor Investor Portion:

- (i) mutual funds sponsored by entities which are associate of the BRLM;
- (ii) insurance companies promoted by entities which are associate of the BRLM;
- (iii) AIFs sponsored by the entities which are associate of the BRLM; or
- (iv) FPIs (other than individuals, corporate bodies and family offices) sponsored by the entities which are associate of the BRLM.

Further, the Promoters and members of the Promoter Group shall not participate by applying for Equity Shares in the Issue. Further, persons related to the Promoters and the member of the Promoter Group shall not apply in the Issue under the Anchor Investor Portion.

However, a QIB who has any of the following rights in relation to our Company shall be deemed to be a person related to the Promoters or the members of the Promoter Group of our Company:

- (i) rights under a shareholders' agreement or voting agreement entered into with the Promoters or the members of the Promoter Group of our Company;
- (ii) veto rights; or
- (iii) right to appoint any nominee director on the Board.

Further, an Anchor Investor shall be deemed to be an "associate of the BRLM" if:

- (i) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or
- (ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or
- (iii) there is a common director, excluding nominee director, among the Anchor Investors and the BRLM.

### **Bids by Mutual Funds**

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which such Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its NAV in 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 schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

### **Bids by Eligible NRIs**

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents ([●] in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents ([●] in colour). Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries.

Eligible NRI Bidders Bidding on a repatriation basis by using the Non-Resident Forms should authorise their SCSB (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of UPI Bidders Bidding through

the UPI Mechanism) to block their Non-Resident External (“NRE”) accounts, or Foreign Currency Non-Resident (“FCNR”) Accounts, and Eligible NRI Bidders Bidding on a non-repatriation basis by using Resident Forms should authorise their respective SCSBs (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) to block their Non-Resident Ordinary (“NRO”) accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

In accordance with the FEMA Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

Eligible NRIs will be permitted to apply in the Issue through Channel I or Channel II (as specified in the SEBI UPI Circulars). Further, subject to applicable law, Eligible NRIs may use Channel IV (as specified in the SEBI UPI Circulars) to apply in the Issue, provided the UPI facility is enabled for their NRE/NRO accounts.

For details of restrictions on investment by NRIs, see “*Restrictions on Foreign Ownership of Indian Securities*” on page 285.

Participation of Eligible NRIs in the Issue shall be subject to the FEMA Rules.

#### **Bids by HUFs**

Bids by HUFs, should be made in the individual name of the Karta. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: “Name of sole or First Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta”. Bids/Applications by HUFs will be considered at par with Bids/Applications from individuals.

#### **Bids by FPIs**

In terms of the SEBI FPI Regulations, the investment in Equity Shares by a single FPI or an investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) must be below 10% of the post-Issue Equity Share capital. Further, in terms of the FEMA Rules, the total holding by each FPI or an investor group shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together with effect from April 1, 2020, the aggregate limit by FPIs shall be the sectoral caps applicable to the Indian company as prescribed in the FEMA Rules with respect to its paid-up equity capital on a fully diluted basis. While the aggregate limit as provided above could have been decreased by the concerned Indian companies to a lower threshold limit of 24% or 49% or 74% as deemed fit, with the approval of its board of directors and its shareholders through a resolution and a special resolution, respectively before March 31, 2020, our Company has not decreased such limit and accordingly the applicable limit with respect to our Company is 100%. In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non-Residents ([●] in colour).

A FPI may purchase or sell equity shares of an Indian company which is listed or to be listed on a recognised stock exchange in India, and/or may purchase or sell securities other than equity instruments.

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.

To ensure compliance with the applicable limits, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar to the Issue shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI, and (ii) obtain validation from Depositories for the FPIs who have invested in the Issue to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs, (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs, (iii) such offshore derivative instruments are issued after compliance with “know your client” norms, and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instrument is made by, or on behalf of it subject to, among others, the following conditions:

- (a) each offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and
- (b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

Further, Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs may not be regarded as multiple Bids:

- FPIs which utilize the multi-investment manager (“MIM”) structure.
- Offshore derivative instruments (“ODI”) which have obtained separate FPI registration for ODI and proprietary derivative investments.
- Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration.
- FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager.
- Multiple branches in different jurisdictions of foreign bank registered as FPIs.
- Government and Government related investors registered as Category I FPIs.
- Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to the aforesaid seven structures and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the applicant FPIs (with same PAN). In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilise any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, with the operational guidelines for FPIs and designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations, such multiple Bids shall be rejected.

For details of investment by FPIs in the Issue, see “Restrictions on Foreign Ownership of Indian Securities” on page 285. Participation of FPIs shall be subject to the FEMA Non-debt Instruments Rules.

The FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for non-residents.”]

### **Bids by SEBI registered AIFs, VCFs and FVCIs**

The SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs. Post the repeal of the SEBI VCF Regulations, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. The SEBI FVCI Regulations prescribe the investment restrictions on FVCIs.

Category I AIFs and Category II AIFs cannot invest more than 25% of the investible funds in one Investee Company directly or through investment in the units of other AIFs. A category III AIF cannot invest more than 10% of the investible funds in one Investee Company directly or through investment in the units of other AIFs. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking.

The holding in any company by any individual VCF or FVCI registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds, in the aggregate, in certain specified instruments, which includes subscription to an initial public offering of a venture capital undertaking or an investee company (as defined under the SEBI AIF Regulations) whose shares are proposed to be listed.

Further, the shareholding of VCFs, Category I AIFs or Category II AIFs and FVCIs in a company prior to an initial public offering being undertaken by such company, shall be exempt from lock-in requirements, provided that such equity shares shall be locked in for a period of at least six months from the date of purchase by the VCF or AIF or FVCI. However, if such VCFs, Category I AIFs or Category II AIFs and FVCIs hold individually or with persons acting in concert, more than 20% of the pre-Issue shareholding of such company, this exemption from lock-in requirements will not be applicable.

There is no reservation for Eligible NRIs, AIFs, FPIs and FVCIs. All such Bidders will be treated on the same basis with other categories for the purpose of allocation. Participation of VCFs, AIFs or FVCIs in the Issue shall be subject to the FEMA Rules.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

#### **Bids by limited liability partnerships**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

#### **Bids by banking companies**

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended, ("**Banking Regulation Act**"), and the Master Directions - Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10% of the banking company's paid-up share capital and reserves, whichever is lower.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act, (ii) the additional acquisition is through restructuring of debt, or to protect the banking company's interest on loans/investments made to a company, (iii) hold along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank, and mutual funds managed by asset management companies controlled by the bank, more than 20% of the investee company's paid up share capital engaged in non-financial services. However, this cap does not apply to the cases mentioned in (i) and (ii) above.

Further, the aggregate investment by a banking company in all its subsidiaries and other entities engaged in financial services and non-financial services, including overseas investments, cannot exceed 20% of the banking company's paid up share capital and reserves.

The banking company is required to submit a time-bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make investment in excess of 30% of the paid-up share capital of the investee company (i) investment in a subsidiary or a financial services company that is not a subsidiary (with certain exceptions prescribed), and (ii) investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in para 5(a) (v) (c) (i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

### **Bids by SCSBs**

SCSBs participating in the Issue are required to comply with the terms of the circulars bearing numbers CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013 issued by SEBI. 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 Bids.

### **Bids by insurance companies**

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof. The exposure norms for insurers are prescribed under Regulation 9 of the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 ("**IRDAI Investment Regulations**"), and are based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Bidders are advised to refer to the IRDAI Investment Regulations 2016, as amended, which are broadly set forth below:

- (a) equity shares of a company: the lower of 10%\* of the outstanding equity shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- (b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- (c) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

\*The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹500,000 million or more but less than ₹2,500,000 million.

Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI, from time to time, including the IRDAI Investment Regulations for specific investment limits applicable to them.

### **Bids by NBFC-SI**

In case of Bids made by NBFC-SI, a certified copy of the certificate of registration issued by RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid, without assigning any reason thereof. NBFC-SI participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

### **Bids under power of attorney**

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, NBFC-SI, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250 million (subject to applicable laws) and pension funds with a minimum corpus of ₹250 million in each case, subject to applicable law and in accordance with their respective constitutional documents, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company, in consultation with the BRLM, in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company, in consultation with the BRLM, may deem fit, without assigning any reasons thereof.

### **Bids by Anchor Investors**

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below. Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the BRLM.

Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the BRLM.

Except for Mutual Funds, AIFs or FPIs (other than individuals, corporate bodies and family offices) sponsored by entities which are associates of the BRLM or insurance companies promoted by entities which are associates of the BRLM, no BRLM or its respective associates can apply in the Issue under the Anchor Investor Portion.

Further, an Anchor Investor shall be deemed to be an “associate of the BRLM” if: (i) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other, or (ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other, or (iii) there is a common director, excluding nominee director, among the Anchor Investors and the BRLM.

The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹100.00 million. A Bid cannot be submitted for over 60% of the QIB Category. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹100.00 million.

One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

Bidding for Anchor Investors will open one Working Day before the Bid/ Issue Opening Date and will be completed on the same day.

Our Company, in consultation with the BRLM may finalise allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than:

- maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹100.00 million;
- minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹100.00 million but up to ₹2,500.00 million, subject to a minimum Allotment of ₹50.00 million per Anchor Investor; and
- in case of allocation above ₹2,500.00 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500.00 million, and an additional 10 Anchor Investors for every additional ₹2,500.00 million, subject to minimum Allotment of ₹50.00 million per Anchor Investor.

Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made, will be made available in the public domain by the BRLM before the Bid/Issue Opening Date, through intimation to the Stock Exchanges.

Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Issue Price will be payable by the Anchor Investors on the Anchor Investor pay-in date specified in the CAN. If the Issue Price is lower than the Anchor Investor Issue Price, Allotment to successful Anchor Investors will be at the higher price i.e., the Anchor Investor Allocation Price shall still be the Anchor Investor Issue Price.

Neither the BRLM or any associate of the BRLM (except Mutual Funds sponsored by entities which are associates of the BRLM or insurance companies promoted by entities which are associate of BRLM or AIFs sponsored by the entities which are associate of the BRLM or FPIs, other than individuals, corporate bodies or family offices sponsored by the entities which are associate of the BRLM) nor any "person related to the Promoter or Promoter Group" shall apply in the Issue under the Anchor Investor Portion.

50% of the Equity Shares Allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 90 days from the date of Allotment and the remaining 50% shall be locked in for a period of 30 days from the date of Allotment.

Bids made by QIBs under both the Anchor Investor Portion and the QIB Category will not be considered multiple Bids.

#### **Bids by provident funds/pension funds**

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid, without assigning any reason therefor.

**The above information is given for the benefit of the Bidders. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulation and as specified in the Red Herring Prospectus.**

**In accordance with existing regulations issued by the RBI, OCBs cannot participate in the Issue.**

#### **Information for Bidders**

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such acknowledgement slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier acknowledgement slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the BRLM are cleared or approved by the Stock Exchanges, nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company, nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

## General instructions

Please note that QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors can revise their Bid(s) during the Bid/Issue Period and withdraw their Bid(s) until Bid/Issue Closing Date. Anchor Investors are not allowed to withdraw or lower the size of their Bids after the Anchor Investor Bidding Date.

### Do's:

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. Ensure that you (other than the Anchor Investors) have mentioned the correct ASBA Account number (for all Bidders other than UPI Bidders Bidding using the UPI Mechanism) in the Bid cum Application Form and such ASBA account belongs to you and no one else. Further, UPI Bidders using the UPI Mechanism must also mention their UPI ID and shall use only their own bank account which is linked to their UPI ID;
4. UPI Bidders Bidding using the UPI Mechanism shall ensure that the bank, with which they have their bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI before submitting the ASBA Form to any of the Designated Intermediaries;
5. UPI Bidders Bidding using the UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on SEBI website. UPI bidders shall ensure that the name of the app and the UPI handle which is used for making the application appears on the list displayed on SEBI website. An application made using incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned on SEBI website is liable to be rejected;
6. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
7. Ensure that the details about the PAN, DP ID, Client ID and UPI ID (where applicable) are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in dematerialized form only;
8. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time. UPI Bidders using UPI Mechanism, may submit their ASBA Forms with Syndicate Members, Registered Brokers, CRTAs or CDPs and should ensure that the Bid cum Application Form contains the stamp of such Designated Intermediary;
9. In case of joint Bids, ensure that First Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the First Bidder is included in the Bid cum Application Form;
10. If the First Bidder is not the ASBA Account holder (or the UPI-linked bank account holder, as the case may be), ensure that the Bid cum Application Form is signed by the ASBA Account holder (or the UPI-linked bank account holder, as the case may be). Bidders (except UPI Bidders Bidding using the UPI Mechanism) should ensure that they have an account with an SCSB and have mentioned the correct bank account number of that SCSB in the Bid cum Application Form. UPI Bidders Bidding using the UPI Mechanism should ensure that they have mentioned the correct UPI-linked bank account number and their correct UPI ID in the Bid cum Application Form;
11. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
12. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms. PAN of the First Bidder is required to be specified in case of joint Bids;
13. Ensure that you request for and receive a stamped acknowledgment in the form of a counterfoil or by specifying the application number for all your Bid options as proof of registration of the Bid cum Application Form from the concerned Designated Intermediary;
14. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to any of the Designated Intermediaries;
15. Submit revised Bids to the same Designated Intermediary, through whom the original Bid is placed and obtain a revised acknowledgment;
16. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, and (iii) any other category of Bidders, including without

limitation, multilateral/bilateral institutions, which may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

17. Ensure that the Demographic Details are updated, true and correct in all respects;
18. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
19. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;
20. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents, including a copy of the power of attorney, are submitted;
21. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
22. Bidders (except UPI Bidders Bidding using the UPI Mechanism) should instruct their respective banks to release the funds blocked in the ASBA Account under the ASBA process. UPI Bidders Bidding using the UPI Mechanism, should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank to authorize blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;
23. Note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected;
24. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and Retail Individual Investors) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in));
25. Ensure that you have correctly signed the authorization/undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;
26. UPI Bidders Bidding using the UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using their UPI PIN. Upon the authorization of the mandate using their UPI PIN, the UPI Bidder may be deemed to have verified the attachment containing the application details of the UPI Bidder Bidding using the UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to issue a request to block the Bid Amount mentioned in the Bid Cum Application Form in their ASBA Account;
27. UPI Bidders Bidding using the UPI Mechanism should mention valid UPI ID of only the Bidder (in case of single account) and of the First Bidder (in case of joint account) in the Bid cum Application Form;
28. UPI Bidders Bidding using the UPI Mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised UPI Mandate Request generated by the Sponsor Bank to authorize blocking of funds equivalent to the revised Bid Amount in their account and subsequent debit of funds in case of allotment in a timely manner;
29. Bids by Eligible NRIs, HUFs and FPIs other than individuals, corporate bodies and family offices, for a Bid Amount of less than ₹200,000 would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding ₹200,000 would be considered under the Non- Institutional Category for allocation in the Issue;
30. Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLM;
31. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to cut off time on the Bid/ Issue Closing Date; and
32. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected.
33. However, Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM Structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs.
34. Bidders (other than Anchor Investors) ensure that only their own ASBA Account or only their own bank account linked UPI ID (only for UPI Bidders using the UPI Mechanism, where made available) to make an application in the Issue and

not ASBA Account or bank account linked UPI ID of any third party.

**Don'ts:**

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid for a Bid Amount exceeding ₹200,000 (for Bids by RIIs);
3. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
4. Do not Bid on another Bid cum Application Form after you have submitted a Bid to a Designated Intermediary;
5. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
6. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
7. Anchor Investors should not Bid through the ASBA process;
8. Do not submit the Bid cum Application Forms to any non-SCSB bank or to our Company or at a location other than the Bidding Centres;
9. Do not Bid on a physical Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
10. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Investors);
11. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
12. Do not submit your Bid after 3.00 pm on the Bid/Issue Closing Date;
13. If you are a QIB, do not submit your Bid after 3.00 p.m. on the QIB Bid/Issue Closing Date;
14. Do not submit the General Index Register (GIR) number instead of the PAN;
15. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID (where applicable) or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
16. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account or in the case of UPI Bidders Bidding using the UPI Mechanism, in the UPI-linked bank account where funds for making the Bid are available;
17. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Investor. RIIs can revise or withdraw their Bids on or before the Bid/Issue Closing Date;
18. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
19. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders using the UPI Mechanism;
20. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
21. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the Depository);
22. Do not submit more than one Bid cum Application Form per ASBA Account. If you are a UPI Bidder and are using UPI Mechanism, do not submit more than one Bid cum Application Form for each UPI ID;
23. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;
24. Do not submit a Bid cum Application Form with third party UPI ID or using a third party bank account (in case of Bids submitted by UPI Bidders using the UPI Mechanism);
25. Do not submit ASBA Bids to a Designated Intermediary at a Bidding Centre unless the SCSB where the ASBA Account is maintained, as specified in the Bid cum Application Form, has named at least one branch in the relevant Bidding Centre, for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in));
26. Do not submit the ASBA Forms to any Designated Intermediary that is not authorized to collect the relevant ASBA Forms or to our Company;
27. Do not Bid for Equity Shares more than what is specified by respective Stock Exchange for each category;
28. Do not submit Bids to a Designated Intermediary at a location other than Specified Locations. If you are UPI Bidder and are using UPI Mechanism, do not submit the ASBA Form directly with SCSBs;
29. Do not Bid if you are an OCB; and
30. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process.

**The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.**

Further, in case of any pre-Issue or post-Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out to the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, see “*General Information*” on page 56.

For details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document.

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 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. Further, helpline details of the BRLM pursuant to the SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

### **Names of entities responsible for finalizing the Basis of Allotment in a fair and proper manner**

The authorised employees of the Stock Exchanges, along with the BRLM and the Registrar to the Issue, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in the 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 Issue except in case of oversubscription for the purpose of rounding off to make Allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an Allotment of not more than 1% of the Net Issue may be made for the purpose of making Allotment in minimum Bid Lots.

The Allotment of Equity Shares to applicants other than to the Retail Individual Investors, Non-Institutional Investors and Anchor 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 as, determined and disclosed.

The Allotment of Equity Shares to each Retail Individual Investor and Non-Institutional Investor shall not be less than the minimum Bid Lot, subject to the availability of Equity Shares in the Retail Individual Investor category and the Non-Institutional Category, respectively, and the remaining available Equity Shares, if any, shall be Allotted on a proportionate basis. Further, not more than 15% of the Issue shall be available for allocation to Non-Institutional Bidders (out of which one third shall be reserved for Bidders with Bids exceeding ₹ 2 lakhs up to ₹ 10 lakhs and two-thirds shall be reserved for Bidders with Bids exceeding ₹ 10 lakhs and under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion in accordance with SEBI ICDR Regulations). Further, the allocation to each Non-Institutional Investor shall not be less than ₹ 200,000, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis.

### **Payment into Escrow Account for Anchor Investors**

Our Company, in consultation with the BRLM in their absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors are not permitted to Bid in the Issue through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS or NEFT). The payment instruments for payment into the Escrow Account should be drawn in favour of:

- (i) In case of resident Anchor Investors: “[●]”
- (ii) In case of non-resident Anchor Investors: “[●]”

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, and the Bankers to the Issue and the Registrar to the Issue to facilitate collections from Anchor Investors.

## **Pre-Issue advertisement**

Subject to Section 30 of the Companies Act, 2013, our Company will, after filing the Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in [●] editions of [●] (a widely circulated English national daily newspaper) [●] editions of [●] (a widely circulated Hindinational daily newspaper) and [●] editions of [●] (a widely circulated Gujarati daily newspaper, Gujarati being theregional language in Ahmedabad where the Registered Office is located). Our Company shall, in the pre-Issue advertisement state the Bid/Issue Opening Date, the Bid/Issue Closing Date and the QIB Bid/IssueClosing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be inthe format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

## **Post-Issue Advertisement**

Our Company, the BRLM and the Registrar to the Issue shall publish a post-Issue advertisement in terms of Regulation 51(1) of SEBI ICDR Regulations on or before the date of commencement of trading, disclosing the date of commencement of trading in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper, and [●] edition of [●], a Gujarati daily newspaper (Guajarati being the regional language of Ahmedabad where our Registered Office is located), each with wide circulation.

**The above information is given for the benefit of the Bidders/applicants. Our Company and the members of the Syndicate are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders/applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.**

## **Signing of Underwriting Agreement and filing of Prospectus with the RoC**

Our Company intend to enter into an Underwriting Agreement with the Underwriters on or immediately after the determination of the Issue Price. After signing the Underwriting Agreement, the Company will file the Prospectus with the RoC. The Prospectus would have details of the Issue Price, Anchor Investor Issue Price, Issue size and underwriting arrangements and would be complete in all material respects.

## **Undertakings by our Company**

Our Company undertakes the following:

- The complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
- All steps will be taken for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within such timeliness as may be prescribed by SEBI;
- Adequate arrangements shall be made to collect all Bid cum Application Forms;
- If the Allotment is not made within the prescribed time under applicable law, application monies will be refunded/unblocked in the ASBA Accounts within four days from the Bid/Issue Closing Date or such other time as may be specified by SEBI, failing which our Company shall pay interest prescribed underthe Companies Act, 2013 and the SEBI ICDR Regulations for the delayed period;
- Funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be madeavailable to the Registrar to the Issue by our Company; Our Company shall not have recourse to the Net Proceeds until the final approval for listing and tradingof the Equity Shares from all the Stock Exchanges where listing is sought has been received.
- Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within four days from the Bid/Issue Closing Date, or suchtime period as specified by SEBI, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- No further issue of Equity Shares shall be made until the Equity Shares offered through the Red HerringProspectus are listed or until the Bid monies are refunded/unblocked in the ASBA Accounts on accountof non-listing, under-subscription etc.;
- If our Company do not proceed with the Issue after the Bid/Issue Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/Issue Closing Date. The public notice shall be issued in the

same newspapers where the pre-Issue advertisements are published. The Stock Exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;

- If our Company withdraw the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh draft offer document with SEBI, in the event our Company subsequently decides to proceed with the Issue;
- The Minimum Promoters' Contribution, if any, shall be brought in advance before the Bid/Issue Opening Date and the balance, if any, shall be brought in on a pro rata basis before calls are made on the Allottees, in accordance with the applicable provisions of the SEBI ICDR Regulations;
- The allotment of securities/refund confirmation to Eligible NRIs shall be dispatched within specified time.

### **Depository Arrangements**

The Allotment of the Equity Shares in the Issue shall be only in a dematerialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, tripartite agreements had been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated May 16, 2022 among NSDL, our Company and the Registrar to the Issue.
- Tripartite Agreement dated May 05, 2022 among CDSL, our Company and Registrar to the Issue.

### **Impersonation**

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

**“Any person who:**

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or**
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

### **Utilization of Issue Proceeds**

The Board certifies that:

- (i) all monies received out of the Fresh Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-Section (3) of Section 40 of the Companies Act, 2013;
- (ii) details of all monies utilized out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the Fresh Issue proceeds remains unutilized, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized; and
- (iii) details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested.

## **RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**

The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (“**DPIIT**”) makes policy announcements on FDI through press notes and press releases which are notified by the RBI as amendments to the FEMA. The DPIIT also issues the Consolidated Foreign Direct Investment Policy (“**FDI Policy**”) from time to time. The regulatory framework pertaining to foreign investment, over a period of time, thus, consists of acts, regulations, master circulars, press notes, press releases, and clarifications among other amendments.

India’s current FDI Policy issued by the DPIIT with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT till October 15, 2020. All the press notes, press releases, clarifications on FDI issued by DPIIT till October 15, 2020 stand rescinded as on October 15, 2020. In terms of the FDI Policy, Foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which foreign investment is sought to be made. In terms of the FDI Policy, the work of granting government approval for foreign investment under the FDI Policy and FEMA Regulations has now been entrusted to the concerned Administrative Ministries/Departments.

The FDI Policy issued by the DPIIT permits foreign investment upto 100% of paid-up equity share capital of our Company which operates in the Cash and Carry Wholesale Trading/ Wholesale Trading sector under the automatic route subject to compliance of certain conditions mentioned in the FDI Policy. The Company will be required to make certain filings with the RBI after the completion of the Issue.

In accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government, as prescribed in the FDI Policy and the Foreign Exchange Management (Non-debt Instruments) Rules, 2019. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India.

Further, the existing individual and aggregate investment limits for an FPI in our Company are not exceeding 10% of the total paid-up Equity Share capital of our Company for each FPI and the total holdings of all FPIs in the Company shall not exceed 24% of the total paid-up Equity Share capital of our Company. The RBI, in exercise of its power under the FEMA, has also notified Foreign Exchange Management (Non-debt Instruments) Rules, 2019 and Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. SEBI registered FPIs have been permitted to purchase shares of an Indian company through the Issue, subject to total FPI investment being within the individual FPI/sub account investment limit of less than 10% of the total paid-up equity capital on a fully diluted basis of the Company subject to the total holdings of all FPIs/sub accounts including any other direct and indirect foreign investments in the Company shall not exceed 24% of the paid-up equity capital of the Company on a fully diluted basis. The aggregate limit of 24% in case of FPIs may be increased up to the sectoral cap/statutory ceiling, as applicable, by the Company concerned by passing of resolution by the Board of the Company to that effect and by passing of a special resolution to that effect by its Shareholders. With effect from April 1, 2020, the aggregate limit of 24% has increased to the sectoral cap applicable to the Indian Company which in case of the Company is 100% provided that the Company complies with conditions provided under the FDI Policy. As per the Rules, the aggregate limit as provided above was permitted to be decreased by the Company to a lower threshold limit of 24% or 49% or 74% as deemed fit, with the approval of its Board of Directors through a resolution and also of its shareholders by means of a special resolution, before March 31, 2020. The Company has passed no such Board Resolution and hence, has not revised its sectoral caps. Further, eligible NRIs and OCIs investing on repatriation basis are subject to individual investment limit of 5% of the total paid-up equity capital on a fully diluted basis subject to the aggregate paid-value of the shares purchased by all NRIs and OCIs put together on repatriation basis not exceeding 10% of the total paid-up equity capital on a fully diluted basis of the Company. The aggregate limit of 10% in case of NRIs and OCIs together may be raised to 24 % if a special resolution to that effect is passed by the shareholders of the Company. As on date, no such resolution for raising the limit has been passed by the Company.

The transfer of shares between an Indian resident and a Non-resident does not require prior approval of RBI, subject to fulfillment of certain conditions as specified by DPIIT / RBI, from time to time. Such conditions include (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. Investors are advised to refer to the exact text of the relevant statutory provisions of law before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or the securities laws of any state of the United States and may not be offered or sold within the United States, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sale occur. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

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

**The above information is given for the benefit of the Bidders. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the Bids are not in violation of laws or regulations applicable to them.**

**SECTION VIII**

**MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION**

Pursuant to Schedule I of the Companies Act, 2013 and the SEBI ICDR Regulations, the Main provisions of the Articles of Association relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and Transmission of equity shares or debentures, their consolidation or splitting are as provided below. Each provision below is numbered as per the corresponding article number in the articles of association and defined terms herein have the meaning given to them in the Articles of Association.

|           |   |   |
|-----------|---|---|
| <b>1.</b> | No regulation contained in Table “F” in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto. | <b>Table F<br/>Applicable.</b>            |
|           | <b>Interpretation Clause</b>  |   |
| <b>2.</b> | In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:   |   |
|           | (a) "The Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force.  | <b>Act</b>                                |
|           | (b) "These Articles" means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.  | <b>Articles</b>                           |
|           | (c) "Auditors" means and includes those persons appointed as such for the time being of the Company.  | <b>Auditors</b>                           |
|           | (d) "Capital" means the share capital for the time being raised or authorized to be raised for the purpose of the Company.  | <b>Capital</b>                            |
|           | (e) *"The Company" shall mean ' <b>Aprameya Engineering Limited</b> '   |   |
|           | (f) "Executor" or "Administrator" means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.   | <b>Executor or<br/>Administrator</b>      |
|           | (g) "Legal Representative" means a person who in law represents the estate of a deceased Member.  | <b>Legal<br/>Representative</b>           |
|           | (h) Words importing the masculine gender also include the feminine gender.  | <b>Gender</b>                             |
|           | (i) "In Writing" and "Written" includes printing lithography and other modes of representing or reproducing words in a visible form.  | <b>In Writing and<br/>Written</b>         |
|           | (j) The marginal notes hereto shall not affect the construction thereof.  | <b>Marginal notes</b>                     |
|           | (k) "Meeting" or "General Meeting" means a meeting of members.  | <b>Meeting or<br/>General Meeting</b>     |
|           | (l) "Month" means a calendar month.   | <b>Month</b>                              |
|           | (m) "Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of section 96 of the Act.   | <b>Annual General<br/>Meeting</b>         |
|           | (n) "Extra-Ordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.   | <b>Extra-Ordinary<br/>General Meeting</b> |
|           | (o) "National Holiday" means and includes a day declared as National Holiday by the Central Government.   | <b>National Holiday</b>                   |
|           | (p) "Non-retiring Directors" means a director not subject to retirement by rotation.  | <b>Non-retiring<br/>Directors</b>         |
|           | (q) "Office" means the registered Office for the time being of the Company.   | <b>Office</b>                             |

|           |  |   |
|-----------|--|---|
|           | (r) "Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 114 of the Act.   | <b>Ordinary and Special Resolution</b>                              |
|           | (s) "Person" shall be deemed to include corporations and firms as well as individuals.   | <b>Person</b>   |
|           | (t) "Proxy" means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney.   | <b>Proxy</b>  |
|           | (u) "The Register of Members" means the Register of Members to be kept pursuant to Section 88(1) (a) of the Act.   | <b>Register of Members</b>  |
|           | (v) "Seal" means the common seal for the time being of the Company.  | <b>Seal</b>   |
|           | (w) Words importing the Singular number include where the context admits or requires the plural number and vice versa.   | <b>Singular number</b>  |
|           | (x) "The Statutes" means the Companies Act, 2013 and every other Act for the time being in force affecting the Company.  | <b>Statutes</b>   |
|           | (y) "These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.   | <b>These presents</b>   |
|           | (z) "Variation" shall include abrogation; and "vary" shall include abrogate.   | <b>Variation</b>  |
|           | (aa) "Year" means the "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act.  | <b>Year and Financial Year</b>                                      |
|           | Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.   | <b>Expressions in the Act to bear the same meaning in Articles</b>  |
|           | <b>CAPITAL</b>   |   |
| <b>3.</b> | The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time.  | <b>Authorized Capital.</b>  |
| <b>4.</b> | The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64 of the Act. | <b>Increase of capital by the Company how carried into effect</b>   |
| <b>5.</b> | Except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.   | <b>New Capital same as existing capital</b>                         |
| <b>6.</b> | The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.  | <b>Non Voting Shares</b>  |
| <b>7.</b> | Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.   | <b>Redeemable Preference Shares</b>                                 |
| <b>8.</b> | The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.  | <b>Voting rights of preference shares</b>                           |
| <b>9.</b> | On the issue of redeemable preference shares under the provisions of Article 7 hereof , the following provisions-shall take effect:  | <b>Provisions to apply on issue of Redeemable Preference Shares</b> |

|     |   |   |
|-----|---|---|
|     | <p>(a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption;</p> <p>(b) No such Shares shall be redeemed unless they are fully paid;</p> <p>(c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed;</p> <p>(d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and</p> <p>(e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital</p> |   |
| 10. | <p>The Company may (subject to the provisions of sections 52, 55, 66, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce</p> <p>(a) the share capital;</p> <p>(b) any capital redemption reserve account; or</p> <p>(c) any security premium account</p> <p>In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.</p>   | <b>Reduction of capital</b>                         |
| 11. | <p>Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.</p>  | <b>Debentures</b>                                   |
| 12. | <p>The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.</p>   | <b>Issue of Sweat Equity Shares</b>                 |
| 13. | <p>The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.</p>  | <b>ESOP</b>   |
| 14. | <p>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.</p>   | <b>Buy Back of shares</b>                           |
| 15. | <p>Subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; Subject as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.</p>  | <b>Consolidation, Sub-Division And Cancellation</b> |
| 16. | <p>Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country.</p>   | <b>Issue of Depository Receipts</b>                 |

|                                     |   |  |
|-------------------------------------|---|--|
| 17.                                 | Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.  | <b>Issue of Securities</b>   |
| <b>MODIFICATION OF CLASS RIGHTS</b> |   |  |
| 18.                                 | (a) If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting.<br>Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation. | <b>Modification of rights</b>  |
|                                     | (b) The rights conferred upon the holders of the Shares including Preference Share, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking paripassu therewith.  | <b>New Issue of Shares not to affect rights attached to existing shares of that class.</b> |
| 19.                                 | Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the company for the time being 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 and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.   | <b>Shares at the disposal of the Directors.</b>  |
| 20.                                 | The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder.   | <b>Power to issue shares on preferential basis.</b>  |
| 21.                                 | The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be subdivided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.  | <b>Shares should be Numbered progressively and no share to be subdivided.</b>              |
| 22.                                 | An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member.  | <b>Acceptance of Shares.</b>   |
| 23.                                 | Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.   | <b>Directors may allot shares as full paid-up</b>  |

|   |   |  |
|---|---|--|
| 24.   | The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly.  | <b>Deposit and call etc. to be a debt payable immediately.</b> |
| 25.   | Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require on date fixed for the payment thereof.  | <b>Liability of Members.</b>                                   |
| 26.   | Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.   | <b>Registration of Shares.</b>                                 |
| <b>RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT</b> |   |  |
| 27.   | The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Sections 39 of the Act  |  |
| <b>CERTIFICATES</b>   |   |  |
| 28.   | <p>(a) Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holder. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue.</p> <p>(b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act.</p> <p>(c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.</p> | <b>Share Certificates.</b>                                     |

|                                   |  |  |
|-----------------------------------|--|--|
|                                   | (d) When a new Share certificate has been issued in pursuance of the preceding clause of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is —"Issued in lieu of Share Certificate No..... sub-divided/replaced/on consolidation of Shares".   |  |
| 29.                               | <p>If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof 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 lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.</p> <p>Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other Act, or rules applicable in this behalf.</p> <p>The provisions of this Article shall mutatis mutandis apply to debentures of the Company.</p> | <b>Issue of new certificates in place of those defaced, lost or destroyed.</b>                     |
| 30.                               | (a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.  | <b>The first named joint holder deemed Sole holder.</b>  |
|                                   | (b) The Company shall not be bound to register more than three persons as the joint holders of any share.  | <b>Maximum number of joint holders.</b>  |
| 31.                               | Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.   | <b>Company not bound to recognise any interest in share other than that of registered holders.</b> |
| 32.                               | If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.  | <b>Installment on shares to be duly paid.</b>  |
| <b>UNDERWRITING AND BROKERAGE</b> |  |  |
| 33.                               | Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.  | <b>Commission</b>  |
| 34.                               | The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.  | <b>Brokerage</b>   |
| <b>CALLS</b>                      |  |  |
| 35.                               | (1) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the  | <b>Directors may make calls</b>  |

|     |  |  |
|-----|--|--|
|     | <p>Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board.</p> <p>(2) A call may be revoked or postponed at the discretion of the Board.</p> <p>(3) A call may be made payable by installments.</p>  |  |
| 36. | Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.   | <b>Notice of Calls</b>   |
| 37. | A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors.  | <b>Calls to date from resolution.</b>                                  |
| 38. | Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.  | <b>Calls on uniform basis.</b>   |
| 39. | The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.  | <b>Directors may extend time.</b>                                      |
| 40. | If a sum called in respect of the shares is not paid before or on the day appointed for payment thereof the person from whom the sum is due shall pay interest upon the sum at such rate not exceeding 12% per annum or at such lower rate, if any, as the Board may determine, but the Board of Directors shall be at liberty to waive payment of that interest wholly or in part.  | <b>Calls to carry interest.</b>  |
| 41. | If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.  | <b>Sums deemed to be calls.</b>  |
| 42. | On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, if shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books: and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt. | <b>Proof on trial of suit for money due on shares.</b>                 |
| 43. | Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided.  | <b>Judgment, decree, partial payment motto proceed for forfeiture.</b> |
| 44. | (a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided   | <b>Payments in Anticipation of calls may carry interest</b>            |

|     |  |   |
|-----|--|---|
|     | <p>that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits.</p> <p>(b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.</p>   |   |
|     | <b>LIEN</b>  |   |
| 45. | <p>The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.</p> <p>Provided that the fully paid shares shall be free from all lien, while in the case of partly paid shares, the company's lien, if any, shall be restricted to moneys called or payable at a fixed time in respect of such shares.</p>  | <b>Company to have Lien on shares.</b>                      |
| 46. | <p>For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfillment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the Certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned.</p>  | <b>As to enforcing lien by sale.</b>                        |
| 47. | <p>The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to 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.</p>  | <b>Application of proceeds of sale.</b>                     |
|     | <b>FORFEITURE AND SURRENDER OF SHARES</b>  |   |
| 48. | <p>If any Member fails to pay the whole or any part of any call or installment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or installment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or installment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or installment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force.</p> | <b>If call or installment not paid, notice maybe given.</b> |
| 49. | <p>The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or installment and such interest thereon as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid.</p>  | <b>Terms of notice.</b>                                     |

|     |   |  |
|-----|---|--|
|     | The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.  |  |
| 50. | If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.   | <b>On default of payment, shares to be forfeited.</b>                              |
| 51. | When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.  | <b>Notice of forfeiture to a Member</b>  |
| 52. | Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit.  | <b>Forfeited shares to be property of the Company and maybe sold etc.</b>          |
| 53. | Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so. | <b>Members still liable to pay money owing at time of forfeiture and interest.</b> |
| 54. | The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.  | <b>Effect of forfeiture.</b>   |
| 55. | A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these articles 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 shares.   | <b>Evidence of Forfeiture.</b>   |
| 56. | The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration: if any, nor shall his title to the share be affected by any irregularly or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.   | <b>Title of purchaser and allottee of Forfeited shares.</b>                        |
| 57. | Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.  | <b>Cancellation of share certificate in respect of forfeited shares.</b>           |
| 58. | In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.   | <b>Forfeiture may be remitted.</b>   |
| 59. | Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be        | <b>Validity of sale</b>  |

|  |  |  |
|--|--|--|
|  | impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.   |  |
| 60.  | The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.   | <b>Surrender of shares.</b>  |
| <b>TRANSFER AND TRANSMISSION OF SHARES</b> |  |  |
| 61.  | (a) The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee.<br>(b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.   | <b>Execution of the instrument of shares.</b>  |
| 62.  | The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof.<br>Provided that the company shall use a common form of transfer.   | <b>Transfer Form.</b>  |
| 63.  | The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law. | <b>Transfer not to be registered except on production of instrument of transfer.</b> |
| 64.  | Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, decline to register—<br>(a) any transfer of shares on which the company has a lien.<br>That registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever;  | <b>Directors may refuse to register transfer.</b>                                    |
| 65.  | If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply.   | <b>Notice of refusal to be given to transferor and transferee.</b>                   |
| 66.  | No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.  | <b>No fee on transfer.</b>   |
| 67.  | The Board of Directors shall have power on giving not less than seven days previous notice in accordance with section 91 and rules made thereunder close the Register of Members and/or the Register of debentures holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.   | <b>Closure of Register of Members or debentureholder or other security holders.</b>  |
| 68.  | The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on   | <b>Custody of transfer Deeds.</b>  |

|     |  |   |
|-----|--|---|
|     | demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.  |   |
| 69. | Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.   | <b>Application for transfer of partly-paid shares.</b>  |
| 70. | For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.  | <b>Notice to transferee.</b>  |
| 71. | (a) 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 person recognized by the Company as having any title to his interest in the shares.<br>(b) Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India. Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate<br>(c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.  | <b>Recognition of legal representative.</b>   |
| 72. | The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72of the Companies Act. | <b>Titles of Shares of deceased Member</b>  |
| 73. | Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.  | <b>Notice of application when to be given</b>   |
| 74. | Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.   | <b>Registration of persons entitled to share otherwise than by transfer. (transmission clause).</b> |
| 75. | Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.   | <b>Refusal to register nominee.</b>   |
| 76. | Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which  | <b>Board may require evidence of transmission.</b>  |

|                                    |  |   |
|------------------------------------|--|---|
|                                    | the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.   |   |
| 77.                                | The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or require to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.   | <b>Company not liable for disregard of a notice prohibiting registration of transfer.</b> |
| 78.                                | In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit.  | <b>Form of transfer Outside India.</b>  |
| 79.                                | No transfer shall be made to any minor, insolvent or person of unsound mind.   | <b>No transfer to insolvent etc.</b>  |
| <b>NOMINATION</b>                  |  |   |
| 80.                                | <p>i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013 shall apply in respect of such nomination.</p> <p>ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014</p> <p>iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination.</p> <p>iv) If the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.</p>  | <b>Nomination</b>   |
| 81.                                | <p>A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-</p> <p>(i) to be registered himself as holder of the security, as the case may be; or</p> <p>(ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made;</p> <p>(iii) if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased security holder as the case may be;</p> <p>(iv) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.</p> <p>Provided further 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 or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.</p> | <b>Transmission of Securities by nominee</b>  |
| <b>DEMATERIALIZATION OF SHARES</b> |  |   |
| 82.                                | Subject to the provisions of the Act and Rules made thereunder the Company may offer its members facility to hold securities issued by it in dematerialized form.  | <b>Dematerialisation of Securities</b>  |

|            |   |  |
|------------|---|--|
|            |   |  |
|            | <b>JOINT HOLDER</b>   |  |
| <b>83.</b> | Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.   | <b>Joint Holders</b>   |
| <b>84.</b> | (a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.   | <b>Joint and several liabilities for all payments in respect of shares.</b>  |
|            | (b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person;  | <b>Title of survivors.</b>   |
|            | (c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and   | <b>Receipts of one sufficient.</b>   |
|            | (d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall deemed to be service on all the holders.  | <b>Delivery of certificate and giving of notices to first named holders.</b> |
|            | <b>SHARE WARRANTS</b>   |  |
| <b>85.</b> | The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence(if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.   | <b>Power to issue share warrants</b>   |
| <b>86.</b> | (a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant.<br>(b) Not more than one person shall be recognized as depositor of the Share warrant.<br>(c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor. | <b>Deposit of share warrants</b>   |
| <b>87.</b> | (a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company.<br>(b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.   | <b>Privileges and disabilities of the holders of share warrant</b>           |
| <b>88.</b> | The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.   | <b>Issue of new share warrant coupons</b>                                    |
|            | <b>CONVERSION OF SHARES INTO STOCK</b>  |  |
| <b>89.</b> | The Company may, by ordinary resolution in General Meeting.<br>a) convert any fully paid-up shares into stock; and<br>b) re-convert any stock into fully paid-up shares of any denomination.  | <b>Conversion of shares into stock or reconversion.</b>                      |

|                         |   |   |
|-------------------------|---|---|
| 90.                     | The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit, provided that, the Board may, from time to time, fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose.  | <b>Transfer of stock.</b>   |
| 91.                     | The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.   | <b>Rights of stock holders.</b>   |
| 92.                     | Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words "share" and "shareholders" in those regulations shall include "stock" and "stockholders" respectively.  | <b>Regulations.</b>   |
| <b>BORROWING POWERS</b> |   |   |
| 93.                     | Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, any body corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specified purpose. | <b>Power to borrow.</b>   |
| 94.                     | Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.   | <b>Issue of discount etc. or with special privileges.</b>               |
| 95.                     | The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charge, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be.  | <b>Securing payment or repayment of Moneys borrowed.</b>                |
| 96.                     | Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.  | <b>Bonds, Debentures etc. to be under the control of the Directors.</b> |
| 97.                     | If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.   | <b>Mortgage of uncalled Capital.</b>                                    |
| 98.                     | Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surety for the payment of any sum primarily due from the Company, the Directors may execute or cause to  | <b>Indemnity may be given.</b>  |

|             |  |  |
|-------------|--|--|
|             | be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.  |  |
|             | <b>MEETINGS OF MEMBERS</b>   |  |
| <b>99.</b>  | All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings.  | <b>Distinction between AGM &amp; EGM.</b>  |
| <b>100.</b> | (a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members  | <b>Extra-Ordinary General Meeting by Board and by requisition</b>                    |
|             | (b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.   | <b>When a Director or any two Members may call an Extra Ordinary General Meeting</b> |
| <b>101.</b> | No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.   | <b>Meeting not to transact business not mentioned in notice.</b>                     |
| <b>102.</b> | The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Members present shall elect another Director as Chairman, and if no Director be present or if all the Directors present decline to take the chair then the Members present shall elect one of the members to be the Chairman of the meeting.   | <b>Chairman of General Meeting</b>   |
| <b>103.</b> | No business, except the election of a Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.  | <b>Business confined to election of Chairman whilst chair is vacant.</b>             |
| <b>104.</b> | a) 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.<br>b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.<br>c) 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.<br>d) 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. | <b>Chairman with consent may adjourn meeting.</b>                                    |
| <b>105.</b> | In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.   | <b>Chairman's casting vote.</b>  |
| <b>106.</b> | Any poll duly demanded on the election of Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.  | <b>In what case poll taken without adjournment.</b>                                  |
| <b>107.</b> | The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.   | <b>Demand for poll not to prevent transaction of other business.</b>                 |
|             | <b>VOTES OF MEMBERS</b>  |  |

|             |   |   |
|-------------|---|---|
| <b>108.</b> | No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien.  | <b>Members in arrears not to vote.</b>                              |
| <b>109.</b> | Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares. | <b>Number of votes each member entitled.</b>                        |
| <b>110.</b> | On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.  | <b>Casting of votes by a member entitled to more than one vote.</b> |
| <b>111.</b> | A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor 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.  | <b>Vote of member of unsound mind and of minor</b>                  |
| <b>112.</b> | Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.  | <b>Postal Ballot</b>  |
| <b>113.</b> | A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.  | <b>E-Voting</b>   |
| <b>114.</b> | a) 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. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof.<br>b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.   | <b>Votes of joint members.</b>                                      |
| <b>115.</b> | Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles   | <b>Votes may be given by proxy or by representative</b>             |
| <b>116.</b> | A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company.  | <b>Representation of a body corporate.</b>                          |
| <b>117.</b> | (a) A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable.  | <b>Members paying money in advance.</b>                             |

|                  |   |  |
|------------------|---|--|
|                  | (b) A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.  | <b>Members not prohibited if share not held for any specified period.</b>  |
| <b>118.</b>      | Any person entitled under Article 73 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnify (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.  | <b>Votes in respect of shares of deceased or insolvent members.</b>        |
| <b>119.</b>      | No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment. | <b>No votes by proxy on show of hands.</b>                                 |
| <b>120.</b>      | The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.   | <b>Appointment of a Proxy.</b>   |
| <b>121.</b>      | An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.  | <b>Form of proxy.</b>  |
| <b>122.</b>      | A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used.   | <b>Validity of votes given by proxy notwithstanding death of a member.</b> |
| <b>123.</b>      | 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.  | <b>Time for objections to votes.</b>                                       |
| <b>124.</b>      | Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.  | <b>Chairperson of the Meeting to be the judge of validity of any vote.</b> |
| <b>DIRECTORS</b> |   |  |
| <b>125.</b>      | (a) Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution<br><b>(b) Followings are the first directors of the company:</b><br><b>1. Chetan Mohan Joshi</b><br><b>2. Saurabh Kishorbhai Bhatt</b>   | <b>Number of Directors</b>   |
| <b>126.</b>      | A Director of the Company shall not be bound to hold any Qualification Shares in the Company.   | <b>Qualification Shares.</b>   |
| <b>127.</b>      | (a) Subject to the provisions of the Companies Act, 2013 and notwithstanding anything to the contrary contained in these Articles, the Board may appoint any person as a director   | <b>Nominee Directors.</b>  |

|   |   |  |
|---|---|--|
|   | <p>nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement</p> <p>(b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled.</p> <p>(c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board.</p> <p>(d) The Nominee Director/s shall, notwithstanding anything to the Contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution appointing him/them as such Director/s.</p> |  |
| 128.  | The Board may appoint an Alternate Director to act for a Director (hereinafter called "The Original Director") during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.   | <b>Appointment of alternate Director.</b>                              |
| 129.  | Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting.  | <b>Additional Director</b>   |
| 130.  | Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, who shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.  | <b>Directors power to fill casual vacancies.</b>                       |
| 131.  | Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.   | <b>Sitting Fees.</b>   |
| 132.  | The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.  | <b>Travelling expenses Incurred by Director on Company's business.</b> |
| <b>PROCEEDING OF THE BOARD OF DIRECTORS</b> |   |  |
| 133.  | <p>(a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit.</p> <p>(b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.</p>   | <b>Meetings of Directors.</b>  |
| 134.  | <p>a) The Directors may from time to time elect from among their members a Chairperson of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within Fifteen minutes after the time appointed for holding the same, the Directors present may choose one of the Directors then present to preside at the meeting.</p> <p>b) Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time.</p>   | <b>Chairperson</b>   |

|   |   |   |
|---|---|---|
| 135.  | Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman will have a second or casting vote.  | <b>Questions at Board meeting how decided.</b>  |
| 136.  | 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.  | <b>Continuing directors may act notwithstanding any vacancy in the Board</b>            |
| 137.  | Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board. | <b>Directors may appoint committee.</b>   |
| 138.  | The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.   | <b>Committee Meeting show to be governed.</b>   |
| 139.  | a) A committee may elect a Chairperson of its meetings.<br>b) 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.  | <b>Chairperson of Committee Meetings</b>  |
| 140.  | a) A committee may meet and adjourn as it thinks fit.<br>b) 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.  | <b>Meetings of the Committee</b>  |
| 141.  | Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director.  | <b>Acts of Board or Committee shall be valid notwithstanding defect in appointment.</b> |
| <b>RETIREMENT AND ROTATION OF DIRECTORS</b> |   |   |
| 142.  | Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.   | <b>Power to fill casual vacancy</b>   |
| <b>POWERS OF THE BOARD</b>                  |   |   |
| 143.  | The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.   | <b>Powers of the Board</b>  |
| 144.  | Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say   | <b>Certain powers of the Board</b>  |

|  |  |  |
|--|--|--|
|  | (1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India.  | <b>To acquire any property , rights etc.</b>         |
|  | (2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy.   | <b>To take on Lease.</b>                             |
|  | (3) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.                     | <b>To erect &amp; construct.</b>                     |
|  | (4) At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged. | <b>To pay for property.</b>                          |
|  | (5) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.  | <b>To insure properties of the Company.</b>          |
|  | (6) To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit.   | <b>To open Bank accounts.</b>                        |
|  | (7) To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.   | <b>To secure contracts by way of mortgage.</b>       |
|  | (8) To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.   | <b>To accept surrender of shares.</b>                |
|  | (9) To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.   | <b>To appoint trustees for the Company.</b>          |
|  | (10) To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon.   | <b>To conduct legal proceedings.</b>                 |
|  | (11) To act on behalf of the Company in all matters relating to bankruptcy insolvency.   | <b>Bankruptcy &amp; Insolvency</b>                   |
|  | (12) To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.  | <b>To issue receipts &amp; give discharge.</b>       |
|  | (13) Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner  | <b>To invest and deal with money of the Company.</b> |

|      |  |  |
|------|--|--|
|      | as they may think fit and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.   |  |
| (14) | To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;  | <b>To give Security byway of indemnity.</b>                |
| (15) | To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.  | <b>To determine signing powers.</b>                        |
| (16) | To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company.  | <b>Commission or share in profits.</b>                     |
| (17) | To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.   | <b>Bonus etc. to employees.</b>                            |
| (18) | To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the deprecation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper. | <b>Transfer to Reserve Funds.</b>                          |
| (19) | To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.   | <b>To appoint and remove officers and other employees.</b> |

|  |   |   |
|--|---|---|
|  | (20) At any time and from time to time by power of attorney under the seal of the Company, to appoint any person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them. | <b>To appoint Attorneys.</b>                            |
|  | (21) Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.  | <b>To enter into contracts.</b>                         |
|  | (22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.  | <b>To make rules.</b>                                   |
|  | (23) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.  | <b>To effect contracts etc.</b>                         |
|  | (24) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.  | <b>To apply &amp; obtain concessions licenses etc.</b>  |
|  | (25) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40of the Act and of the provisions contained in these presents.   | <b>To pay commissions or interest.</b>                  |
|  | (26) To redeem preference shares.   | <b>To redeem preference shares.</b>                     |
|  | (27) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.   | <b>To assist charitable or benevolent institutions.</b> |
|  | (28) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.<br>(29) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act.   |   |
|  | (30) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid  |   |

|             |  |  |
|-------------|--|--|
|             | by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.  |  |
|             | <p>(31) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.</p> <p>(32) To sell from time to time any Articles, materials, machinery, plants, stores and other Articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.</p> <p>(33) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.</p> <p>(34) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.</p> <p>(35) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.</p> <p>(36) To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.</p> <p>(37) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.</p> <p>(38) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.</p> |  |
|             | <b>MANAGING AND WHOLE-TIME DIRECTORS</b>   |  |
| <b>145.</b> | <p>a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.</p> <p>b) The Managing Director or Managing Directors or whole-time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re-appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.</p>   | <b>Powers to appoint Managing/ Whole-time Directors.</b> |
| <b>146.</b> | The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes.   | <b>Remuneration of Managing or Whole-time Director.</b>  |
| <b>147.</b> | (1) Subject to control, direction and supervision of the Board of Directors, the day-to-day management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association   | <b>Powers and duties of Managing Director or</b>         |

|             |   |  |
|-------------|---|--|
|             | <p>with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board.</p> <p>(2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers.</p> <p>(3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Wholetime Director or Wholetime Directors of the Company and may exercise all the powers referred to in these Articles.</p> <p>(4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.</p> <p>(5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.</p> | <b>Whole-time Director.</b>  |
|             | <b>Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer</b>   |  |
| <b>148.</b> | <p>a) Subject to the provisions of the Act,—</p> <p>i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may thinks 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;</p> <p>ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.</p> <p>b) 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.</p>   | <b>Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer</b> |
|             | <b>THE SEAL</b>   |  |
| <b>149.</b> | <p>(a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.</p> <p>(b) The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use in any territory, district or place outside India.</p>   | <b>The seal, its custody and use.</b>  |
| <b>150.</b> | The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors 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.  | <b>Deeds how executed.</b>   |
|             | <b>Dividend and Reserves</b>  |  |
| <b>151.</b> | (1) 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  | <b>Division of profits.</b>  |

|             |  |   |
|-------------|--|---|
|             | <p>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.</p> <p>(2) 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.</p> <p>(3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.</p>  |   |
| <b>152.</b> | The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.  | <b>The company in General Meeting may declare Dividends.</b>  |
| <b>153.</b> | <p>a) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.</p> <p>b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.</p> | <b>Transfer to reserves</b>   |
| <b>154.</b> | 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.   | <b>Interim Dividend.</b>  |
| <b>155.</b> | The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.   | <b>Debts may be deducted.</b>   |
| <b>156.</b> | No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share.   | <b>Capital paid up in advance not to earn dividend.</b>   |
| <b>157.</b> | All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly.   | <b>Dividends in proportion to amount paid-up.</b>   |
| <b>158.</b> | The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.  | <b>Retention of dividends until completion of transfer under Articles.</b>  |
| <b>159.</b> | No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.   | <b>No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.</b> |
| <b>160.</b> | A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.   | <b>Effect of transfer of shares.</b>  |
| <b>161.</b> | Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.  | <b>Dividend to joint holders.</b>   |
| <b>162.</b> | a) 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  | <b>Dividends how remitted.</b>  |

|             |   |   |
|-------------|---|---|
|             | <p>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.</p> <p>b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.</p>   |   |
| <b>163.</b> | 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.  | <b>Notice of dividend.</b>                              |
| <b>164.</b> | No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.  | <b>No interest on Dividends.</b>                        |
|             | <b>CAPITALIZATION</b>   |   |
| <b>165.</b> | <p>(1) The Company in General Meeting may, upon the recommendation of the Board, resolve:</p> <p>(a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss account, or otherwise available for distribution; and</p> <p>(b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.</p> <p>(2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards:</p> <p>(i) paying up any amounts for the time being unpaid on any shares held by such members respectively;</p> <p>(ii) 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; or</p> <p>(iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).</p> <p>(3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares.</p> <p>(4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.</p>   | <b>Capitalization.</b>                                  |
| <b>166.</b> | <p>(1) 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</p> <p>(b) generally to do all acts and things required to give effect thereto.</p> <p>(2) The Board shall have full power -</p> <p>(a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also</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 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 the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.</p> <p>(3) Any agreement made under such authority shall be effective and binding on all such members.</p> <p>(4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.</p> | <b>Fractional Certificates.</b>                         |
| <b>167.</b> | (1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the  | <b>Inspection of Minutes Books of General Meetings.</b> |

|   |   |  |
|---|---|--|
|   | <p>Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges.</p> <p>(2) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of Rs. 10 per page or any part thereof.</p>   |  |
| <b>168.</b>                             | <p>a) 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.</p> <p>b) 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.</p>   | <b>Inspection of Accounts</b>                                    |
| <b>FOREIGN REGISTER</b>                 |   |  |
| <b>169.</b>                             | The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers.  | <b>Foreign Register.</b>   |
| <b>DOCUMENTS AND SERVICE OF NOTICES</b> |   |  |
| <b>170.</b>                             | Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed.   | <b>Signing of documents &amp; notices to be served or given.</b> |
| <b>171.</b>                             | Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company and need not be under the Common Seal of the Company.   | <b>Authentication of documents and proceedings.</b>              |
| <b>WINDING UP</b>                       |   |  |
| <b>172.</b>                             | <p>Subject to the provisions of Chapter XX of the Act and rules made thereunder—</p> <p>(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.</p> <p>(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.</p> <p>(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.</p>  |  |
| <b>INDEMNITY</b>                        |   |  |
| <b>173.</b>                             | Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court. | <b>Directors' and others right to indemnity.</b>                 |

|                |  |  |
|----------------|--|--|
| 174.           | Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty. | <b>Not responsible for acts of others</b>  |
| <b>SECRECY</b> |  |  |
| 175.           | (a) Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the company shall, if so required by the Directors, before entering upon his duties, sign a declaration pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.   | <b>Secrecy</b>                             |
|                | (b) No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate.   | <b>Access to property information etc.</b> |

## **SECTION IX –OTHER INFORMATION**

### **MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The copies of the following documents and contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company) which are or may be deemed material will be attached to the copy of the Red Herring Prospectus which will be delivered to the RoC for registration. Copies of the above mentioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered and Corporate Office between 10 a.m. and 5 p.m. IST on all Working Days from the date of the Red Herring Prospectus until the Bid/Issue Closing Date.

#### **Material Contracts**

1. Issue Agreement dated August 25, 2022 between our Company and the Book Running Lead Manager to the Issue.
2. Registrar Agreement dated August 25, 2022 executed between our Company and the Registrar to the Issue.
3. Banker to the Issue and Sponsor Bank Agreement dated [●] among our Company, Book Running Lead Manager, Banker to the Issue and the Registrar to the Issue.
4. Underwriting Agreement dated [●] between our Company, Book Running Lead Manager and Underwriter.
5. Tripartite Agreement dated May 05, 2022 among CDSL, the Company and the Registrar to the Issue.
6. Tripartite Agreement dated May 16, 2022 among NSDL, the Company and the Registrar to the Issue.
7. Syndicate Agreement dated [●] between the Company, BRLM and Syndicate Members.

#### **Material Documents**

1. Certified copies of the Memorandum and Articles of Association of the Company as amended.
2. Certificate of Incorporation dated December 28, 2021 issued by the Registrar of Companies, Ahmedabad, Gujarat.
3. Fresh Certificate of Incorporation dated May 12, 2022 issued by the Registrar of Companies, Ahmedabad, Gujarat consequent upon Conversion of the Company to Public Company.
4. Copy of the Board Resolution dated August 03, 2022 authorizing the Issue and other related matters.
5. Copy of Shareholder's Resolution dated August 06, 2022 authorizing the Issue and other related matters.
6. Copies of Audited Financial Statements of our Company for the period begin from December 28, 2021 to March 31, 2022 and Audited Financial Statements of our Partnership firm for the period ended December 27, 2021, year ended March 31, 2021 and 2020.
7. Copies of the Restated Financial Statement of our Company for the year ended March 31, 2022, 2021 and 2020.
8. Copy of the Statement of Possible Special Tax Benefits dated August 27, 2022 from the Statutory Auditor.
9. Consents of the Book Running Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Statutory Auditor of the Company, Bankers to our Company, Syndicate Members, Promoters of our Company, Directors of our Company, Company Secretary and Compliance Officer and Chief Financial Officer, as referred to, in their respective capacities.
10. Consent letter from Reports and Data dated August 17, 2022 to rely on and reproduce part or whole of the "ICU-Set up and Maintenance Report" in this Draft Red Herring Prospectus.
11. Board Resolution dated September 07, 2022 for approval of Draft Red Herring Prospectus and dated [●] for approval of Red Herring Prospectus and dated [●] for approval of Prospectus.
12. Due Diligence Certificate from Book Running Lead Manager dated September 07, 2022.
13. SEBI's observation letter number [●] dated [●]
14. Approval from BSE and NSE vide letter dated [●] and [●] to use the name of BSE and NSE in the Offer Documents for listing of Equity Shares on the Main board of BSE Limited and National Stock Exchange of India Limited.

### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

| <b>Name and Designation</b>   | <b>Signature</b> |
|---|------------------|
| Saurabh Kishorbhai Bhatt<br>Chairman & Joint Managing Director<br>DIN: 03071549 | Sd/-             |

Date: September 07, 2022  
Place: Ahmedabad, Gujarat

**DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

| <b>Name and Designation</b>                              | <b>Signature</b> |
|--|------------------|
| Chetan Mohan Joshi<br>Managing Director<br>DIN: 03056083 | Sd/-             |

Date: September 07, 2022  
Place: Ahmedabad, Gujarat

### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

| <b>Name and Designation</b>                                     | <b>Signature</b> |
|---|------------------|
| Archana Chetan Joshi<br>Non-Executive Director<br>DIN: 03056078 | Sd/-             |

Date: September 07, 2022  
Place: Ahmedabad, Gujarat

### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

| <b>Name and Designation</b>                                    | <b>Signature</b> |
|--|------------------|
| Pooja Saurabh Bhatt<br>Non-Executive Director<br>DIN: 03071550 | Sd/-             |

Date: September 07, 2022  
Place: Ahmedabad, Gujarat

### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

| <b>Name and Designation</b>                                   | <b>Signature</b> |
|---|------------------|
| Shalini Hitesh Jalan<br>Independent Director<br>DIN: 09620065 | Sd/-             |

Date: September 07, 2022  
Place: Ahmedabad, Gujarat

### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

| <b>Name and Designation</b>                          | <b>Signature</b> |
|--|------------------|
| Raina Singh<br>Independent Director<br>DIN: 09637543 | Sd/-             |

Date: September 07, 2022  
Place: Ahmedabad, Gujarat

### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

| <b>Name and Designation</b>   | <b>Signature</b> |
|---|------------------|
| Heena Hareshbhai Jaichandani<br>Independent Director<br>DIN: 09645431 | Sd/-             |

Date: September 07, 2022  
Place: Ahmedabad, Gujarat

### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

| <b>Name and Designation</b>                                 | <b>Signature</b> |
|---|------------------|
| Suresh Kumar Verma<br>Independent Director<br>DIN: 09658156 | Sd/-             |

Date: September 07, 2022  
Place: Ahmedabad, Gujarat

### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE COMPANY SECRETARY & COMPLIANCE OFFICER OF OUR COMPANY:**

| <b>Name and Designation</b>  | <b>Signature</b> |
|--|------------------|
| Vijay Kishorbhai Jotani<br>Company Secretary & Compliance officer<br>M. No. : A59481 | Sd/-             |

Date: September 07, 2022  
Place: Ahmedabad, Gujarat

### **DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY:**

| <b>Name and Designation</b>   | <b>Signature</b> |
|---|------------------|
| Jignesh Devubhai Suthar<br>Chief Financial Officer<br>PAN: ENCPS2881G | Sd/-             |

Date: September 07, 2022  
Place: Ahmedabad, Gujarat