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SUPREME POWER EQUIPMENT LIMITED



CIN: U31200TN2005PLC056666

Prospectus

Dated: December 27, 2023

100% Book Building Offer

Please read Section 26 and 32 of Companies Act, 2013

| REGISTERED OFFICE | CORPORATE OFFICE | CONTACT PERSON | EMAIL & TELEPHONE | WEBSITE |
|--|---|---|---|--|
| 55, SIDCO Industrial Estates, Thirumazhisai Thirumushi, Tiruvallur, Poonamallee, Tamil Nadu, India, 600124 | N.A. | Ms. Priyanka Bansal Company Secretary & Compliance Officer | Email- cs@supremepower.in & +91 44 26811221 | www.supremepower.in |
| NAME OF PROMOTER(S) OF THE COMPANY | | | | |
| MR. VEE RAJMOHAN & MR. K V PRADEEP KUMAR | | | | |
| DETAILS OF OFFER TO PUBLIC, PROMOTERS/SELLING SHAREHOLDERS | | | | |
| Type | Fresh Issue Size (By Number of Shares) | OFS* Size (By amount in Rs. Lakh) | Total Issue Size (By Number of Shares) | Eligibility & Share Reservation among NII & RII |
| Fresh Issue | 71,80,000 | NIL | 71,80,000 | The Offer is being made pursuant to Regulation 229(2) of SEBI (ICDR) Regulations. For details of Share reservation among QIBs, NIIs and RIIs, see "Offer Structure" beginning on page 323. |
| *OFS: Offer for Sale | | | | |
| Details of OFS by Promoter(s)/ Promoter Group/ Other Selling Shareholders (upto maximum of 10 shareholders) | | | | |
| Name | Type | No. of shares offered/ Amount in Rs. | WACA in Rs. Per Equity Shares | |
| NIL | | | | |
| <i>P: Promoter, PG: Promoter Group, OSS: Other Selling Shareholders, WACA: Weighted Average Cost of Acquisition on fully diluted basis</i> | | | | |
| RISKS IN RELATION TO THE FIRST ISSUE | | | | |
| This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of our Equity Shares is ₹10 each and the Floor Price and Cap Price are 6.1 times and 6.5 times of the face value of the Equity Shares, respectively. The Floor Price, Cap Price and Issue Price (determined and justified by our Company in consultation with the Book Running Lead Manager as stated in "Basis for Issue Price" on page 89 of this Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing. | | | | |
| GENERAL RISK | | | | |
| Investments in Equity and Equity related securities involve a degree of risk and investors should not invest any funds in this issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Prospectus. Specific attention of the investors is invited to the section "Risk Factors" beginning on page 24 of this Prospectus. | | | | |
| ISSUER'S ABSOLUTE RESPONSIBILITY | | | | |
| Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Issue which is material in the context of this Issue, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. | | | | |
| LISTING | | | | |
| The Equity Shares of our Company offered through this Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an approval letter dated December 12, 2023 from National Stock Exchange of India Limited for using its name in the Prospectus for listing of our shares on the Emerge Platform of National Stock Exchange of India Limited. For the purpose of this Issue, National Stock Exchange of India Limited shall be the Designated Stock Exchange. | | | | |
| BOOK RUNNING LEAD MANAGER TO THE ISSUE | | | REGISTRAR TO THE ISSUE | |
|  NARNOLIA FINANCIAL SERVICES LIMITED Address: 201, 2nd Floor, Marble Arch, 236 B A.J.C Bose Road, Kolkata, West Bengal- 700020, India Telephone: +91- 8130678743 Email: pankaj.passi@narnolia.com Website: www.narnolia.com Contact Person: Mr. Pankaj Passi SEBI Registration Number: INM000010791 CIN: U51909WB1995PLC072876 | | |  PURVA SHAREREGISTRY (INDIA) PRIVATE LIMITED Address: 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel (East) Mumbai 400011, Maharashtra, India. Telephone: +91 022 2301 8261 Email: support@purvashare.com Website: www.purvashare.com Contact Person: Ms. Deepali Dhuri SEBI Registration Number: INR000001112 CIN: U67120MH1993PTC074079 | |
| BID/ISSUE PERIOD | | | | |
| Anchor Bid opens on: December 20, 2023 | | Bid/ Issue open on: December 21, 2023 | | Bid/ Issue Closes on: December 26, 2023 |



SUPREME POWER EQUIPMENT LIMITED

Our Company was incorporated as a private limited company with the name of "Supreme Power Equipment Private Limited" under the Companies Act, 1956 vide certificate of incorporation dated June 21, 2005, issued by Registrar of Companies, Chennai, bearing CIN U31200TN2005PTC056666. Further, our company was converted into a Public Limited Company in pursuance of a special resolution passed by the members of our Company at the Extra Ordinary General Meeting held on August 31, 2023 & name of our Company changed from Supreme Power Equipment Private Limited to Supreme Power Equipment Limited & Registrar of Companies, Chennai has issued a new certificate of incorporation consequent upon conversion dated September 18, 2023, bearing CIN U31200TN2005PLC056666.

Registered Office: 55, SIDCO Industrial Estates, Thirumazhisai Thirumushi, Tiruvallur, Poonamallee, Tamil Nadu, India, 600124

Tel: +91 44 26811221, **Fax:** N.A., **Website:** www.supremepower.in; **E-mail:** cs@supremepower.in

Company Secretary and Compliance Officer: Ms. Priyanka Bansal

OUR PROMOTERS: MR. VEE RAJMOHAN & MR. K V PRADEEP KUMAR

THE ISSUE

INITIAL PUBLIC OFFERING UP TO 71,80,000 EQUITY SHARES OF RS. 10/- EACH ("EQUITY SHARES") OF SUPREME POWER EQUIPMENT LIMITED ("SPEL" OR THE "COMPANY") FOR CASH AT A PRICE OF RS. 65/- PER EQUITY SHARE (THE "ISSUE PRICE"), AGGREGATING TO RS. 4,667.00 LAKHS ("THE ISSUE"). OUT OF THE ISSUE, 9,32,000 EQUITY SHARES AGGREGATING TO RS. 605.80 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER ("MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 62,48,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH AT AN ISSUE PRICE OF RS. 65/- PER EQUITY SHARE AGGREGATING TO RS. 4,061.20 LAKHS IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 28.73% AND 25.00%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF THE EQUITY SHARES IS RS.10/- EACH AND THE FLOOR PRICE AND CAP PRICE ARE 6.1 TIMES AND 6.5 TIMES OF THE FACE VALUE OF THE EQUITY SHARES, RESPECTIVELY.

The price band and the minimum bid lot will be decided by our company, in consultation with the book running lead manager and will be advertised in all editions of Financial Express (which are widely circulated English daily newspaper) and all editions of Jansatta (a widely circulated Hindi national daily newspaper) and all editions of Hindu Tamil Thisai, the regional language of Tamil Nadu, where our registered office is located, at least two working days prior to the bid/ offer opening date and shall be made available to national stock exchange of India limited ("NSE", "stock exchange") for the purpose of uploading on their respective website.

This Issue is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 229 of the SEBI ICDR Regulations and in compliance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 50.00% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"), provided that our Company in consultation with the BRLM may allocate up to 60.00% 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 (other than the Anchor Investor Portion) ("Net QIB Portion"). Further, 5.00% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5.00% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15.00% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35.00% of the Net Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. Further, Equity Shares will be allocated on a proportionate basis to Eligible Employees applying under the Employee Reservation Portion, subject to valid Bids received from them at or above the Issue Price. All Bidders, other than Anchor Investors, are required to participate in the Offer by mandatorily utilising the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA Account (as defined hereinafter) in which the corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks ("SCSBs") or under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For details, see "Issue Procedure" on page 290.

RISKS IN RELATION TO FIRST ISSUE

This being the first public issue of our Company, there has been no formal market for our Equity Shares. The face value of the Equity Shares of our Company is Rs.10/-. The Issue Price, Floor Price or the Price band as stated under the chapter titled "Basis for the Issue Price" beginning on page 89 of this Prospectus should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and this Issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on page 24 of this Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares of our Company offered through this Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an approval letter dated December 12, 2023 from National Stock Exchange of India Limited for using its name in the Prospectus for listing of our shares on the Emerge Platform of National Stock Exchange of India Limited. For the purpose of this Issue, National Stock Exchange of India Limited shall be the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGER TO THE ISSUE

Narnolia®

NARNOLIA FINANCIAL SERVICES LIMITED

Address: 201, 2nd Floor, Marble Arch, 236 B A.J.C Bose Road, Kolkata, West Bengal- 700020, India

Telephone: +91- 8130678743

Email: pankaj.passi@narnolia.com

Website: www.narnolia.com

Contact Person: Mr. Pankaj Passi

SEBI Registration Number: INM000010791

CIN: U51909WB1995PLC072876

REGISTRAR TO THE ISSUE



PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED

Address: 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel (East) Mumbai 400011, Maharashtra, India.

Telephone: +91 022 2301 8261

Email: support@purvashare.com

Website: www.purvashare.com

Contact Person: Ms. Deepali Dhuri

SEBI Registration Number: INR000001112

CIN: U67120MH1993PTC074079

BID/ISSUE PERIOD

Anchor Bid opens on: December 20, 2023

Bid/ Issue open on: December 21, 2023

Bid/ Issue Closes on: December 26, 2023

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

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

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

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

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

General Terms

| Term | Description |
|--|---|
| “Supreme Power Equipment Limited” or “SPEL”, “We” or “us” or “the Issuer” or “the/our Company” | Unless the context otherwise requires, refers to Supreme Power Equipment Limited, a Company incorporated under the Companies Act, 1956, vide Corporate Identification Number U31200TN2005PLC056666 and having Registered Office at 55, SIDCO Industrial Estates, Thirumazhisai Thirumushi, Tiruvallur, Poonamallee, Tamil Nadu, India, 600124 |
| “we”, “us” or “our” | Unless the context otherwise indicates or implies, refers to our Company. |
| “you”, “your”, or “yours” | Prospective Investor in this issue |

Company Related Terms

| Terms | Description |
|---|---|
| Articles / Articles of Association | Unless the context otherwise requires, refers to the Articles of Association of Supreme Power Equipment Limited, as amended from time to time. |
| Associate Companies | A body corporate in which any other company has a significant influence, but which is not a subsidiary of the company having such influence and includes a joint venture company. |
| Audit Committee | The committee of the Board of Directors constituted as the Company’s Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and rules made thereunder and disclosed as such in the chapter titled “Our Management” on page 153 of this Prospectus. |
| Auditors/ Statutory Auditors | The Statutory Auditors of our Company, being M/s P P N And Company, Chartered Accountants having firm registration number 013623S and peer review certificate number 013578. |
| Board of Directors / Board/ Director(s) | The Board of Directors of Supreme Power Equipment Limited, including all duly constituted committees thereof. |
| Central Registration Centre (CRC) | It’s an initiative of the Ministry of Corporate Affairs (MCA) in Government Process Re-engineering(GPR) with the specific objective of providing speedy incorporation related services in line with global best practices. For more details, please refer http://www.mca.gov.in/MinistryV2/central+registration+centre+content+page.html |
| Companies Act | The Companies Act, 2013 |
| Chief Financial Officer | The Chief Financial Officer of our Company being Mr. Thulasiraman Boologa Nathan |

| | |
|---|--|
| Company Secretary and Compliance Officer | The Company Secretary and Compliance Officer of our Company being Ms. Priyanka Bansal. |
| Corporate Promoter | Our company does not have any Corporate Promoter |
| Corporate Social Responsibility Committee | The committee of the Board of Directors constituted as the Company's Corporate Social Responsibility Committee is in accordance with Section 135 of the Companies Act, 2013 and rules made thereunder and disclosed as such in the chapter titled "Our Management" on page 153 of this Prospectus. |
| Depositories Act | The Depositories Act, 1996, as amended from time to time. |
| Director | The Director(s) of our Company, unless otherwise specified. |
| Equity Shares | Equity Shares of our Company of Face Value of Rs.10/- each unless otherwise specified in the context thereof. |
| Equity Shareholders | Persons holding equity shares of our Company. |
| Group Companies | In terms of SEBI ICDR Regulations, the term "Group Companies" includes companies (other than promoters and subsidiary) with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, and any other companies as considered material by our Board, in accordance with the Materiality Policy, as described in "Our Group Companies" on page 175 this Prospectus. |
| HUF | Hindu Undivided Family. |
| Independent Director | A Non- executive, Independent Director as per the Companies Act, 2013 and the Listing Regulations. |
| Indian GAAP | Generally Accepted Accounting Principles in India. |
| ISIN | International Securities Identification Number, in this case being INE0QHG01026. |
| Key Managerial Personnel / Key Managerial Employees | Key Management Personnel of our Company in terms of the SEBI Regulations and the Companies Act, 2013. For details, see section entitled "Our Management" on page 153 of this Prospectus. |
| MOA / Memorandum of Association | Memorandum of Association of Supreme Power Equipment Limited. |
| Non-Residents | A person resident outside India, as defined under FEMA. |
| Nomination and Remuneration Committee | The committee of the Board of Directors constituted as the Company's Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and rules made thereunder and disclosed as such in the chapter titled "Our Management" on page 151 of this Prospectus. |
| NRIs / Non-Resident Indians | A person resident outside India, as defined under FEMA Regulation and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 as amended from time to time. |
| Peer Review Auditor | Statutory Auditor having a valid Peer Review certificate No. 013578 in our case being M/s P P N And Company, Chartered Accountants (FRN: 013623S) having their office at No. 2, IV Cross Street, Sterling Road Nungabakkam, Chennai 600-034. |
| Person or Persons | Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, limited liability Company, joint venture, or trust or any other entity or organization validity constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires |
| Promoters or Our Promoters | Mr. Vee Rajmohan and Mr. K V Pradeep Kumar |
| Promoters Group | The companies, individuals and entities (other than companies) as defined under Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018, which is provided in the chapter titled "Our Promoters Group". For further details refer page 174 of this Prospectus. |
| Registered Office | The Registered of our company which is located at 55, SIDCO Industrial Estates, Thirumazhisai Thirumushi, Tiruvallur, Poonamallee, Tamil Nadu, India, 600124. |

| | | |
|--|------------|--|
| Restated Financial Statements | Financial | The Restated Financial statements of our Company, which comprises the restated statement of Assets and Liabilities for period ended as at July 31, 2023; and year ended March 31, 2023; March 31, 2022 and March 31, 2021 and the restated statements of profit and loss and the restated cash flows for the period ended July 31, 2023; and year ended March 31, 2023; March 31, 2022; & March 31, 2021 of our Company prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Revised Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, together with the schedules, notes and annexure thereto. |
| Risk Management Committee | Management | The committee of the Board of Directors constituted as the Company's Risk Management Committee and disclosed as such in the chapter titled "Our Management" on page 153 of this Prospectus. |
| ROC | | Registrar of Companies, Chennai. |
| SEBI | | Securities and Exchange Board of India, constituted under the SEBI Act, 1992. |
| SEBI Act | | Securities and Exchange Board of India Act 1992, as amended from time to time. |
| SEBI Regulations | (ICDR) | SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended. |
| SEBI Insider Trading Regulations | | The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time. |
| SEBI (LODR) Regulations | | SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. |
| SEBI (Takeover) Regulations or SEBI (SAST) Regulations | | SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time. |
| Stakeholders' Relationship Committee | | The committee of the Board of Directors constituted as the Company's Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and rules made thereunder and disclosed as such in the chapter titled "Our Management" on page 153 of this Prospectus. |
| Stock Exchange/ Exchange | | Unless the context requires otherwise, refers to, the Emerge Platform of National Stock Exchange of India Limited. |
| Subsidiary | | For details of our Subsidiary, refer section titled "History and Certain Corporate Matters" beginning on page no. 147 of this Prospectus. |
| Subscribers to MOA | | Initial Subscribers to the MOA & AOA being Mr. Vee Rajmohan and Ms. Savita Pradeep. |

Issue Related Terms

| Terms | Description |
|---------------------------|--|
| Abridged Prospectus | Abridged Prospectus to be issued as per SEBI ICDR Regulations and appended to the Application Form. |
| Acknowledgement Slip | The slip or document issued by a Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form. |
| Allocation Note | Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange. |
| Allotment/ Allot/Allotted | Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Fresh Issue to the successful Applicants. |
| Allotment Advice | Note or advice or intimation of Allotment sent to the Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange. |
| Allottee | The successful applicant to whom the Equity Shares are being / have been allotted. |
| 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 Draft Red Herring Prospectus/ Red Herring Prospectus and who has Bid for an amount of at least Rs. 200 lakhs. |

| | |
|---|---|
| Anchor Investor Allocation Price | The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Draft Red Herring Prospectus/ Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Lead Manager during the Anchor Investor Bid/Offer Period. |
| Anchor Investor Application Form | The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion, and which will be considered as an application for Allotment in terms of the Draft Red Herring Prospectus/ Red Herring Prospectus and the Prospectus. |
| Anchor Investor Bidding Date | The day, being one Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Book Running Lead Manager will not accept any Bids from Anchor Investors, and allocation to Anchor Investors shall be completed. |
| Anchor Investor Offer Price | The final price at which the Equity Shares will be issued and Allotted to Anchor Investors in terms of the Draft Red Herring Prospectus/ Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company in consultation with the BRLM. |
| Anchor Investor Portion | Up to 60% of the QIB Portion, which may be allocated by our Company, in consultation with the BRLM, to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, out of which one third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations. |
| Applicant/ Investor | Any prospective investor who makes an application for Equity Shares of our Company in terms of this Red Herring Prospectus. |
| Application Amount | The amount at which the Applicant makes an application for Equity Shares of our Company in terms of this Red Herring Prospectus. |
| Application Form | The Form in terms of which the prospective investors shall apply for our Equity Shares in the Issue. |
| ASBA/ Application Supported by Blocked Amount. | Applications Supported by Blocked Amount (ASBA) means an application for Subscribing to the Issue containing an authorization to block the application money in a bank account maintained with SCSB. |
| ASBA Account | Account maintained with an SCSB and specified in the Application Form which will be blocked by such SCSB or account of the RIIs blocked upon acceptance of UPI Mandate request by RIIs using the UPI mechanism to the extent of the appropriate Bid / Application Amount in relation to a Bid / Application by an ASBA Applicant. |
| ASBA Application Location(s)/ Specified Cities | Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata, Ahmedabad, Hyderabad, Pune, Baroda and Surat. |
| ASBA Investor/ASBA applicant | Any prospective investor(s)/applicant(s) in this Issue who apply(ies) through the ASBA process. |
| Banker(s) to the Issue/ Public Issue Bank/ Refund Banker. | The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and in this case being Yes Bank Limited. |
| Basis of Allotment | The basis on which Equity Shares will be Allotted to the successful Applicants under the issue and which is described under chapter titled "Issue Procedure" beginning on page 290 of this Prospectus. |
| Bid | An indication to make an Offer during the Bid/Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bidding Date by an Anchor Investor, pursuant to the submission of a Bid cum 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 in terms of the Draft Red Herring Prospectus/ Red Herring Prospectus and the Bid cum Application Form. |
| Bidder | Any investor who makes a Bid pursuant to the terms of the Draft Red Herring Prospectus/ Red Herring Prospectus and the Bid cum Application Form, and unless otherwise stated or implied, includes an Anchor Investor. |

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| Bid Amount | The highest value of optional Bids indicated in the Bid cum Application Form and, in the case of RIBs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such RIBs and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of the Bid |
| Bid cum Application Form | Anchor Investor application form or ASBA form (with and without the use of UPI, as may be applicable), whether physical or electronic, which will be considered as the application for Allotment in terms of the Draft Red Herring Prospectus/ Red Herring Prospectus. |
| Bid Lot | 2000 Equity Shares and in multiples of 2000 Equity Shares thereafter. |
| Bidding/Collection Centres | Centres at which the Designated intermediaries shall accept the ASBA Forms, i.e., Designated SCSB Branch for SCSBs, specified locations for syndicate, broker centre for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs. |
| Book Building Process | The book building process, as described in Part A, Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue will be made |
| Book Running Lead Manager or BRLM | The book running lead manager to the Issue, namely Narnolia Financial Services Limited. |
| Business Day | Monday to Friday (except public holidays). |
| CAN or Confirmation of Allocation Note | The note or advice or intimation sent to Anchor investors indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the designated stock exchange. |
| Cap Price | The higher end of the Price Band, above which the Offer Price and Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted. The Cap Price shall be atleast 105% of the Floor Price. |
| 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. |
| Controlling Branch | Such branch of the SCSBs which coordinate Applications under this Issue by the ASBA Applicants with the Registrar to the Issue and the Stock Exchange and a list of which is available at http://www.sebi.gov.in , or at such other website as may be prescribed by SEBI from time to time. |
| Demographic Details | The demographic details of the Applicants such as their address, PAN, occupation and bank account details. |
| Designated Branches | Such branches of the SCSBs which shall collect the ASBA Forms from the ASBA Applicants and a list of which is available at www.sebi.gov.in , or at such other website as may be prescribed by SEBI from time to time. |
| Designated Date | The date on which relevant amounts blocked by SCSBs are transferred from the ASBA Accounts to the Public Offer Account or the Refund Account, as the case may be, and the instructions are issued to the SCSBs (in case of RIIs using UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Offer Account or the Refund Account, as the case may be, in terms of the Red Herring Prospectus following which Equity Shares will be Allotted in the Offer. |
| Designated Intermediaries/ Collecting Agent | In relation to ASBA Forms submitted by RIIs authorizing an SCSB to block the Application Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism, Designated Intermediaries shall mean syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs. In relation to ASBA Forms submitted by QIBs and NIBs, Designated Intermediaries shall mean SCSBs, syndicate members, sub- syndicate members, Registered Brokers, CDPs and RTAs. |
| | Such locations of the CDPs where Applicant can submit the Application Forms to Collecting |

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| Designated Locations | CDP | Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. www.nseindia.com. |
| Designated SCSB Branches | | Such branches of the SCSBs which shall collect the ASBA Forms (other than ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism), a list of which is available on the website of SEBI at Intermediaries [www.sebi.gov.in] or at such other website as may be prescribed by SEBI from time to time. |
| Designated Exchange | Stock | Emerge Platform of National Stock Exchange of India Limited. (NSE EMERGE) |
| Draft Red Herring Prospectus | | This Draft Red Herring Prospectus dated October 16, 2023, issued in accordance with Section 26 and 32 of the Companies Act, 2013 and the SEBI (ICDR) Regulations and filed with NSE Emerge for obtaining In- Principle Approval. |
| Eligible NRIs | | NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom this Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein. |
| Emerge Platform of NSE Limited | | The Emerge Platform of National Stock Exchange of India Limited for listing equity shares offered under Chapter IX of the SEBI (ICDR) Regulation which was approved by SEBI as an SME Exchange. |
| FII/ Foreign Institutional Investors | | Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India. |
| First/ Sole Applicant | | The applicant whose name appears first in the Application Form or Revision Form. |
| Floor Price | | The lower end of the Price Band, subject to any revision thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalized and below which no Bids will be accepted. |
| General Information Document / GID | | The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and certain other amendments to applicable laws and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, the circular (CIR/CFD/DIL/1/2016) dated January 1, 2016 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 notified by SEBI and included in the chapter "Issue Procedure" on page no. 290 of this Prospectus. |
| Issue/ Issue Size/ Initial Public Offer/Initial Public Offering/ IPO | | Initial Public Issue of 71,80,000 Equity Shares of face value of Rs.10/- each fully paid up of our Company for cash at a price of Rs. 65/- per Equity Share (including a premium of Rs. 55/- per Equity Share) aggregating Rs. 4,667.00 Lakhs. |
| Issue Agreement/ Memorandum of Understanding (MOU) | | The agreement/MOU dated September 30, 2023 between our Company and the BRLM, pursuant to which certain arrangements are agreed to in relation to the Issue and its addendum dated December 13, 2023. |
| Issue Closing Date | | The date on which Issue closes for subscription i.e. December 26, 2023. |
| Issue Opening Date | | The date on which Issue opens for subscription i.e. December 21, 2023. |
| Issue Period | | The period between the Issue Opening Date and the Issue Closing Date inclusive of both the days during which prospective investors may submit their application. |
| Issue Price | | The final price at which Equity Shares will be Allotted to successful ASBA Bidders in terms of the Draft Red Herring Prospectus/ Red Herring Prospectus which will be decided by our Company in consultation with the BRLM, on the Pricing Date, in accordance with the Book-Building Process and in terms of the Draft Red Herring Prospectus/ Red Herring Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price, which will be decided by our Company in consultation with the BRLM, on the Pricing Date, in accordance with the Book-Building Process and in terms of the Draft Red Herring Prospectus/ Red Herring Prospectus. The issue price is Rs. 65/-. |

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| Issue Proceeds | Proceeds from the Issue will be, being Rs. 4,667.00 Lakhs. |
| KPI | Key Performance Indicator |
| Book Running Lead Manager/ BRLM/LM | Book Running Lead Manager to the Offer, in this case being Narnolia Financial Services Limited. |
| Listing Agreement | The equity listing agreement to be signed between our Company and NSE Limited. |
| Market Maker | Market Makers appointed by our Company from time-to-time Share India Securities Limited having SEBI registration number INZ000178336 who have agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time. |
| Market Making Agreement | The Agreement entered into between the BRLM, Market Maker and our Company dated September 23, 2023, and its addendum dated December 13, 2023. |
| Market Maker Reservation | The Reserved Portion of 9,32,000 equity shares of face value of Rs.10/- each fully paid for cash at a price of Rs. 65/- per equity share aggregating Rs. 605.80 Lakh for the Market Maker in this Issue. |
| Mutual Fund(s) | A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time. |
| Net Issue/ Offer | The Issue (excluding the Market Maker Reservation Portion) of 62,48,000 Equity Shares of Rs.10/- each of Issuer at Rs. 65/- (including share premium of Rs. 55/- per equity share aggregating to Rs. 4,061.20 Lakhs. |
| Net Proceeds | The Issue Proceeds, less the Issue related expenses, received by the Company. For information about use of the Issue Proceeds and the Issue expenses, please refer to the chapter titled “Objects of the Issue” beginning on page 76 of this Prospectus. |
| Non-Institutional Applicants | All Applicants that are not Qualified Institutional Buyers or Retail Individual Investors and who have applied for Equity Shares for an amount more than Rs. 2,00,000. |
| OCB / Overseas Corporate Body | A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trust in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under Foreign Exchange Management (Deposit) Regulations, 2000. OCBs are not allowed to invest in this Issue |
| Payment through electronic transfer of funds | Payment through ECS / NECS, Direct Credit, RTGS or NEFT, as applicable. |
| Price Band | The price band ranging from the Floor Price of Rs. 61/- per Equity Share to the Cap Price of Rs. 65/- per Equity Share, including any revisions thereto. The Price Band and minimum Bid Lot, as decided by our Company in consultation with the BRLM, will be advertised in all editions of Financial Express (a widely circulated English national daily newspaper) and all editions of Jansatta (a widely circulated Hindi national daily newspaper and all editions of Hindu Tamil Thisai, being the regional language of Chennai, where our Registered Office is located), at least two Working Days prior to the Bid/Offer Opening Date with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites. |
| Pricing Date | The date on which our Company, in consultation with the BRLM, will finalise the Offer Price. |
| Prospectus | This Prospectus dated December 27, 2023, filed with the RoC containing, inter alia, the Issue opening and closing dates and other information. |
| Public Issue Account | Account opened with the Banker to the Issue/Public Issue Bank i.e. Yes Bank Limited by our Company to receive monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date. |
| Qualified Institutional Buyers / QIBs | As defined under the SEBI ICDR Regulations, including public financial institutions as specified in Section 4A of the Companies Act, scheduled commercial banks, mutual fund registered with SEBI, FII and sub-account (other than a sub-account which is a foreign corporate or foreign individual) registered with SEBI, multilateral and bilateral development financial institution, venture capital fund registered with SEBI, foreign venture capital investor |

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| | registered with SEBI, state industrial development corporation, insurance company registered with Insurance Regulatory and Development Authority, provident fund with minimum corpus of Rs. 2,500 Lakh, pension fund with minimum corpus of Rs. 2,500 Lakh, NIF and insurance funds set up and managed by army, navy or air force of the Union of India, Insurance funds set up and managed by the Department of Posts, India. |
| Red Herring Prospectus/RHP | The Red Herring Prospectus, dated December 16, 2023 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 Offer Price and the size of the Offer, including any addenda or corrigenda thereto. The Red Herring Prospectus will be filed with the RoC at least three days before the Bid/Offer Opening Date. |
| Refund Account | Account(s) to which monies to be refunded to the Applicants shall be transferred from the Public Issue Account in case listing of the Equity Shares does not occur. |
| Refund Bank | The bank(s) which is/are clearing members and registered with SEBI as Banker(s) to the Issue, at which the Refund Account for the Issue will be opened in case listing of the Equity Shares does not occur, in this case being Yes Bank Limited. |
| Refunds through electronic transfer of funds | Refunds through electronic transfer of funds means refunds through ECS, Direct Credit or RTGS or NEFT or the ASBA process, as applicable |
| Registrar/ Registrar to the Offer | Registrar to the Offer being Purva Sharegistry (India) Private Limited. For more information, please refer “General Information” on page 49 of this Prospectus. |
| Registrar Agreement | The agreement dated September 23, 2023 and addendum dated December 13, 2023, entered into between our Company and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer. |
| Regulations | Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018 as amended from time to time. |
| Retail Individual Investors | Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than Rs. 2,00,000. |
| Revision Form | The form used by the Applicants to modify the quantity of the Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s). QIBs and Non-Institutional Investors are not allowed to withdraw or lower their Application Amounts (in terms of quantity of Equity Shares or the Application Amount) at any stage. Retail Individual Applicants can withdraw or revise their Application until Offer Closing Date). |
| SCSB | Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1480483399603.html or at such other website as may be prescribed by SEBI from time to time. |
| Sponsor Bank | Sponsor Bank means a Banker to the Issue registered with SEBI which is appointed by the Issuer to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the retail investors into the UPI. In this case being Yes Bank Limited. |
| Syndicate Agreement | The agreement to be entered into between our Company, the Registrar to the Offer, the BRLM and the Syndicate Member in relation to the procurement of Bids by the Syndicate. |
| Underwriter | Underwriter to this Issue is Narnolia Financial Services Limited. |
| Underwriting Agreement | The agreement dated December 13, 2023 entered into between Narnolia Financial Services Limited and our Company. |
| UPI/ Unified Payments Interface | Unified Payments Interface (UPI) is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons bank accounts using a payment address which uniquely identifies a person’s bank a/c |
| Working Days | In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulations, working days means, all days on which commercial banks in the city as specified in this Red Herring Prospectus are |

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| | <p>open for business.</p> <ol style="list-style-type: none"> 1. However, in respect of announcement of price band and bid/ Offer period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in the city as notified in the Red Herring Prospectus are open for business. 2. In respect to the time period between the bid/ Offer closing date and the listing of the specified securities on the stock exchange, working day shall mean all trading days of the stock exchange, excluding Sundays and bank holidays in accordance with circular issued by SEBI. |
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Conventional Terms / General Terms / Abbreviations/ Industry related terms

| Abbreviation | Full Form |
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| “₹” or “Rs.” or “Rupees” or “INR” | Indian Rupees, the official currency of the Republic of India |
| A/c | Account |
| ACS | Associate Company Secretary |
| AGM | Annual General Meeting |
| AS | Accounting Standards as issued by the Institute of Chartered Accountants of India |
| ASBA | Applications Supported by Blocked Amount |
| AY | Assessment Year |
| BIS | Bureau of Indian Standards |
| BSE | BSE Limited |
| CAGR | Compounded Annual Growth Rate |
| CDSL | Central Depository Services (India) Limited |
| CFO | Chief Financial Officer |
| CEO | Chief Executive Officer |
| CIN | Corporate Identification Number |
| CIT | Commissioner of Income Tax |
| DCS | Distributed Control System |
| DGFT | Directorate General of Foreign Trade |
| DIN | Director Identification Number |
| DP | Depository Participant |
| ECS | Electronic Clearing System |
| EGM | Extraordinary General Meeting |
| EMDEs | Emerging Markets and Developing Economies |
| EPS | Earnings Per Share |
| FDI | Foreign Direct Investment |
| FEMA | Foreign Exchange Management Act, 1999, as amended from time to time, and the regulations framed there under |
| FIIIs | Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India |
| FIPB | Foreign Investment Promotion Board |
| F&NG | Father and Natural Guardian |
| FY / Fiscal/Financial Year | Period of twelve months ended March 31 of that particular year, unless otherwise stated |
| GDP | Gross Domestic Product |
| GoI/Government | Government of India |
| GST | Goods and Service Tax |
| HUF | Hindu Undivided Family |
| I.T. Act | Income Tax Act, 1961, as amended from time to time |

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| ICSI | Institute of Company Secretaries of India |
| MAPIN | Market Participants and Investors' Integrated Database |
| Merchant Banker | Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 |
| MoF | Ministry of Finance, Government of India |
| MOU | Memorandum of Understanding |
| NA | Not Applicable |
| NAV | Net Asset Value |
| NGT | National Green Tribunal |
| NPV | Net Present Value |
| NRE Account | Non-Resident External Account |
| NRIs | Non-Resident Indians |
| NRO Account | Non-Resident Ordinary Account |
| NSDL | National Securities Depository Limited |
| NSE | National Stock Exchange of India Limited |
| NSE Emerge | Emerge Platform of NSE |
| OCB | Overseas Corporate Bodies |
| OSP | Other Service Provider |
| p.a. | per annum |
| P/E Ratio | Price/Earnings Ratio |
| PAC | Persons Acting in Concert |
| PAN | Permanent Account Number |
| PAT | Profit After Tax |
| PCB | Pollution Control Board |
| PSU | Public Sector Undertaking |
| QA/QC | Quality Assurance / Quality Control |
| QIC | Quarterly Income Certificate |
| RBI | The Reserve Bank of India |
| ROE | Return on Equity |
| RONW | Return on Net Worth |
| Bn | Billion |
| Rs. | Rupees, the official currency of the Republic of India |
| RTGS | Real Time Gross Settlement |
| RERA | Real Estate Regulatory Authority |
| SCRA | Securities Contract (Regulation) Act, 1956, as amended from time to time |
| SCRR | Securities Contracts (Regulation) Rules, 1957, as amended from time to time. |
| Sec. | Section |
| SPV | Special Purpose Vehicle |
| STT | Securities Transaction Tax |
| Super Area | The built-up area added to share of common areas which includes staircases, reception, lift shafts, lobbies, club houses and so on |
| TPDS | Targeted Public Distribution System |
| US/United States | United States of America |
| USD/ US\$/ \$ | United States Dollar, the official currency of the United States of America |
| UPI/ Unified Payments Interface | Unified Payments Interface (UPI) is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons bank accounts using a payment address which uniquely identifies a person's bank a/c |
| UPI Circulars | SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular number |

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| | SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular number SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular number 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, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/2022/75 dated May 30, 2022 and any subsequent circulars or notifications issued by SEBI in this regard. |
| UPI ID | ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI). |
| UPI Mandate Request | The request initiated by the Sponsor Bank and received by an RII using the UPI Mechanism to authorize blocking of funds on the UPI mobile or other application equivalent to the Bd Amount and subsequent debit of funds in case of Allotment |
| UPI Mechanism | The bidding mechanism that may be used by a RIB to make an application in the Issue in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018S |
| UPI PIN | Password to authenticate UPI transaction |
| VCF / Venture Capital Fund | Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India. |
| WEO | World Economic Outlook |

Technical / Industry related Terms

| Term | Description |
|-------|--|
| AT&C | Aggregate Technical and Commercial |
| B2B | Business to Business |
| B2G | Business to Government |
| BEE | Bureau of Energy Efficiency |
| BIS | Bureau of Indian Standards |
| CapEx | Capital Expenditures |
| CAGR | Compound Annual Growth Rate |
| CEA | Central Electricity Authority of India |
| CENT | 1 cent is equal to 435.56 square feet |
| CPSEs | Central Public Sector Enterprises |
| CRGO | Cold Rolled Grain Oriented |
| CU | Capacity Utilization |
| F | Frequency |
| Hz | Hertz |
| IMF | International Monetary Fund |
| ULBs | Urban Local Bodies |
| CAG | Controller and Auditor General |
| CPRI | Central Power Research Institute |
| EMDEs | Emerging Market and Developing Economies |
| ERDA | Electrical Research and Development Association |
| GDP | Gross domestic product |
| GFCF | Gross Fixed Capital Formation |
| GW | Gigawatt |
| Io | No-Load Current |
| ISO | The International Organization for Standardization |

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| Kv | Kilovolt |
| Kva | kilo Volts Amperes |
| MPI report | Multidimensional Poverty Index Report |
| MRP | Maximum Retail Price |
| MVA | megavolt-amperes |
| NABL | National Accreditation Board for Testing and Calibration Laboratories |
| NIP | National Infrastructure Pipeline |
| OLTC | On Load Tap Changing Gear |
| PLI scheme | Production-Linked Incentive Scheme |
| Po | No-Load Losses |
| QACS | QACS International Pvt. Ltd. specializes in issuing ISO certifications in India & Abroad |
| RPM | Revolutions Per Minute |
| SDG | Sustainable Development Goals |
| SEBs | State Electricity Boards |
| SEZs | Special Economic Zones |
| SQ FT. | Square Feet |
| T&D loss | Transmission and Distribution loss |
| TANTRANSCO | The Tamil Nadu Transmission Corporation Limited is an electric power transmission system operator owned by Government of Tamil Nadu |
| TANGEDCO | Tamil Nadu Generation and Distribution Corporation Ltd |
| TTR | Transformer Turns Ratio |
| TUV | Technischer Überwachungsverein |
| UOM | Unit of Measures |
| V | Voltage |
| VPD | Vacuum Pressure Drying |
| WEO | World Economic Outlook |

Notwithstanding the foregoing:

1. *In the section titled “Main Provisions of the Articles of Association” beginning on page number 327 of the Prospectus, defined terms shall have the meaning given to such terms in that section;*
2. *In the chapters titled “Summary of Offer Documents” and “Our Business” beginning on page numbers 18 and 114 respectively, of the Prospectus, defined terms shall have the meaning given to such terms in that section;*
3. *In the section titled “Risk Factors” beginning on page number 24 of the Prospectus, defined terms shall have the meaning given to such terms in that section;*
4. *In the chapter titled “Statement of Tax Benefits” beginning on page number 99 of the Prospectus, defined terms shall have the meaning given to such terms in that section;*
5. *In the chapter titled “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” beginning on page number 246 of the Prospectus, defined terms shall have the meaning given to such terms in that section.*

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PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain Conventions

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

Unless stated otherwise, all references to page numbers in this Prospectus are to the page number of this Prospectus.

Financial Data

Unless stated otherwise, the financial data included in this Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act and Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled “Financial Statements as Restated” beginning on page 182 this Prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act and have been restated in accordance with the SEBI (ICDR) Regulations.

Our fiscal year commences on 1st April of each year and ends on 31st March of the next year. All references to a particular fiscal year are to the 12-month period ended 31st March of that year. In this Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. All decimals have been rounded off to two decimal points. There are significant differences between Indian GAAP, IFRS and US GAAP. The Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on the Company’s financial data. Accordingly, to what extent, the financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices / Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Prospectus should accordingly be limited. Any percentage amounts, as set forth in “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and elsewhere in this Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act and Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled “Financial Statements, as Restated” beginning on page 182 of this Prospectus.

Currency and units of presentation

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

Industry and Market Data

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

extent to which the industry and market data presented in the Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

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FORWARD LOOKING STATEMENTS

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

These forward-looking statements can generally be identified by words or phrases such as "will", "aim", "will likely result", "believe", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "project", "should", "will pursue" and similar expressions or variations of such expressions.

Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

- Our dependence on the government tenders.
- our ability to maintain tie-ups with our clients;
- our dependence on limited number of customers for a significant portion of our revenues;
- our ability to successfully identify customer requirements and preferences and gain customer acceptance for our products;
- our ability to manage our working capital cycles and generate sufficient cash flow to satisfy any additional working capital requirements.
- our ability to maintain quality standards;
- changes in the competition landscape;
- our ability to successfully implement strategy, growth and expansion plans;
- our ability to respond to new innovations in our industry;
- our ability to attract and retain qualified personnel;
- our ability to finance our business growth and obtain financing on favorable terms;
- conflict of Interest with affiliated companies, the promoter group and other related parties;
- general social and political conditions in India which have an impact on our business activities or investments;
- impact of Covid 19 pandemic or any future pandemic;
- fluctuations in the price of raw materials;
- market fluctuations and industry dynamics beyond our control;
- developments affecting the Indian economy;

For a further discussion of factors that could cause our current plans and expectations and actual results to differ, please refer to the chapters titled "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on page 24, 114 and 246, respectively of this Prospectus.

Forward looking statements reflect views as of the date of the Prospectus and not a guarantee of future performance. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither our Company / our Directors nor the BRLM, nor any of its affiliates have any obligation

to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the BRLM will ensure that investors in India are informed of material developments until such time as the listing and trading permission is granted by the Stock Exchange(s).

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SECTION II - SUMMARY OF OFFER DOCUMENTS

SUMMARY OF OUR BUSINESS OVERVIEW

Our Company was incorporated as a private limited company with the name of “Supreme Power Equipment Private Limited” under the Companies Act, 1956 vide certificate of incorporation dated June 21, 2005, issued by Registrar of Companies, Chennai, bearing CIN U31200TN2005PTC056666. Further, our company was converted into a Public Limited Company in pursuance of a special resolution passed by the members of our Company at the Extra Ordinary General Meeting held on August 31, 2023 & name of our Company changed from Supreme Power Equipment Private Limited to Supreme Power Equipment Limited & Registrar of Companies, Chennai has issued a new certificate of incorporation consequent upon conversion dated September 18, 2023, bearing CIN U31200TN2005PLC056666.

Our Company is currently engaged in the areas of manufacturing, up-gradation, and refurbishment of transformers ranging from Power Transformer, Generator Transformer, Windmill Transformer, Distribution Transformer, Isolation Transformer, Solar Transformer, Energy Efficient Transformer, Converter and Rectifier Transformer.

INDUSTRY WE CATER

- Power Transformers are used across various sectors and industries to facilitate the efficient transmission and distribution of electrical power.
- Generator transformers are specialized transformers used primarily in the power generation sector, particularly in power plants and large-scale industrial facilities.
- Windmill transformers, often referred to as wind turbine transformers or wind farm transformers, are specialized transformers used in the wind energy sector. These transformers serve important functions in the generation and distribution of electricity from wind turbines.
- Distribution transformers are essential components in the electrical power sector, residential sector, commercial sector,
- Solar transformers, play a crucial role in the solar energy sector by transmission of power.

SUMMARY OF OUR INDUSTRY

POWER SECTOR

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

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



- India is the third-largest producer and consumer of electricity worldwide, with an installed power capacity of 416.59 GW as of April 30, 2023.
- As of April 30, 2023, India's installed renewable energy capacity (including hydro) stood at 172.54 GW, representing 41.4% of the overall installed power capacity. Solar energy contributed 67.07 GW, followed by 42.86 GW from wind power, 10.24 GW from biomass, 4.94 GW from small hydropower, 0.55 from waste to energy, and 46.85 GW from hydropower.
- The non-hydro renewable energy capacity addition stood at 4.2 GW for the first three months of FY23 against 2.6 GW for the first three months of FY22.
- India's power generation witnessed its highest growth rate in over 30 years in FY23. Power generation in India increased by 8.87% to 1,624.15 billion kilowatt-hours (kWh) in FY23.
- According to data from the Ministry of Power, India's power consumption stood at 130.57 BU in April, 2023.

- The peak power demand in the country stood at 226.87 GW in April, 2023.
- The coal plants registered a PLF of 73.7% for the first nine-months period in FY23 compared to 68.5% in FY22 for the same period.
- Thermal power plant load is estimated to improve by 63% in FY24, fuelled by strong demand growth along with subdued capacity addition in the sector

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

PROMOTERS OF OUR COMPANY

The promoters of our Company are Mr. Vee Rajmohan and Mr. K V Pradeep Kumar. For detailed information please refer chapter titled "Our Promoters" and "Our Promoter Group" on page number 170 and 174 respectively of this Prospectus.

ISSUE SIZE

The issue size comprises of fresh issue of 71,80,000 Equity Shares of face value of Rs.10/- each fully paid-up of the Company for cash at price of Rs. 65/- per Equity Share (including premium of Rs. 55/- per Equity Share) aggregating total issue size amounting to Rs. 4,667.00 Lakhs.

OBJECTS OF THE ISSUE

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

| S. No. | Particulars | Amount (In Rs. Lakh) |
|--------------|-----------------------------|----------------------|
| 1 | Capital expenditure | 2,413.30 |
| 2 | Working capital requirement | 1,105.00 |
| 3 | General Corporate Purposes | 873.70 |
| 4 | Issue Expenses | 275.00 |
| Total | | 4,667.00 |

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

| # | Name of shareholder | Pre issue | | Post issue | |
|-----------------------|---------------------|----------------------|--------------------------|----------------------|--------------------------|
| | | No. of equity shares | As a % of Issued Capital | No. of equity shares | As a % of Issued Capital |
| Promoters | | | | | |
| 1 | Mr. Vee Rajmohan | 77,37,930 | 43.44% | 77,37,930 | 31.50% |
| 2 | K V Pradeep Kumar | 51,26,905 | 28.78% | 51,26,905 | 20.87% |
| Total – A | | 1,28,64,835 | 72.23% | 1,28,64,835 | 52.37% |
| Promoter Group | | | | | |
| 3 | Ms. Savita Pradeep | 2,82,545 | 1.59% | 2,82,545 | 1.15% |
| 4 | Ms. R Sasikala | 9,88,785 | 5.55% | 9,88,785 | 4.02% |
| Total – B | | 12,71,330 | 7.14% | 12,71,330 | 5.17% |

SUMMARY OF FINANCIAL INFORMATION

On the basis of consolidation financials statements

(Amount in Lakhs)

| Particulars | For the Period ended 31 st July 2023 | For the Year ended 31 st March 2023 |
|-------------------------------|---|--|
| Share Capital | 395.80 | 395.80 |
| Net Worth | 2,298.26 | 1,805.69 |
| Revenue from operation | 3,926.27 | 9,975.94 |
| Profit after Tax | 503.16 | 1,107.88 |
| EPS Basic and Diluted | 2.77 | 6.08 |
| NAV per Equity Share (in Rs.) | 58.07 | 45.62 |
| Total borrowings | | |
| - Long Term | 426.48 | 455.91 |
| - Short Term | 1,727.34 | 1,543.83 |

On the basis of standalone financials statements

(Amount in Lakhs)

| Particulars | For the Period ended 31 st July 2023 | For the Year ended 31 st March 2023 | For the Year ended 31 st March 2022 | For the Year ended 31 st March 2021 |
|-------------------------------|---|--|--|--|
| Share Capital | 395.80 | 395.80 | 395.80 | 395.80 |
| Net Worth | 2,298.26 | 1,805.69 | 723.40 | 671.61 |
| Revenue from operation | 3,429.34 | 7,553.03 | 4,660.47 | 3,535.17 |
| Profit after Tax | 492.57 | 1,082.29 | 51.81 | 26.56 |
| EPS Basic and Diluted | 2.77 | 6.08 | 0.29 | 0.15 |
| NAV per Equity Share (in Rs.) | 58.07 | 45.62 | 18.28 | 16.97 |
| Total borrowings | | | | |
| - Long Term | 269.17 | 264.22 | 376.62 | 257.35 |
| - Short Term | 1,042.80 | 544.72 | 592.97 | 1,792.16 |

QUALIFICATIONS OF AUDITORS

The Restated Financial Statements do not contain any qualification requiring adjustments by the Statutory

Auditors.

SUMMARY OF OUTSTANDING LITIGATIONS & MATERIAL DEVELOPMENTS

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

| Name | By/Against | Civil Proceedings | Criminal Proceedings | Tax Proceedings | Actions by regulatory authorities | Amount Involved (Rs.) |
|---------------------------------------|----------------|-------------------|----------------------|-----------------|-----------------------------------|-----------------------|
| Company | By | Nil | Nil | Nil | Nil | Nil |
| | Against | Nil | Nil | Nil | Nil | Nil |
| Promoters | By | Nil | Nil | Nil | Nil | Nil |
| | Against | Nil | 1 | Nil | Nil | Unascertainable |
| Group Companies/Entities | By | Nil | Nil | Nil | Nil | Nil |
| | Against | Nil | Nil | Nil | Nil | Nil |
| Directors other than promoters | By | Nil | Nil | Nil | Nil | Nil |
| | Against | Nil | Nil | Nil | Nil | Nil |

For further details, please refer to the chapter titled “Outstanding Litigations & Material Developments” beginning on page 261 of this Prospectus.

RISK FACTORS

For details relating to risk factors, please refer section titled “Risk Factors” beginning on page 24 of this Prospectus.

SUMMARY OF CONTINGENT LIABILITIES OF OUR COMPANY

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

SUMMARY OF RELATED PARTY TRANSACTIONS

The details of Related Party Transactions are as Follows:

(Amount in Lakhs)

| Particulars | Nature of Relationship | Nature of Transaction | For the period ended 31 July, 2023 | For the year ended 31 March, 2023 | For the year ended 31 March, 2022 | For the year ended 31 March, 2021 |
|------------------------|-------------------------|-----------------------|------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Danya Electric Company | Group Entities | Purchase | 492.81 | 399.01 | 81.62 | 46.46 |
| Jai Bharat Exchangers | | | 45.12 | 243.22 | 235.55 | 127.50 |
| Danya Electric Company | Group Entities | Sales | 357.12 | 339.93 | 163.27 | 26.92 |
| Jai Bharat Exchangers | | | 0.47 | - | 8.86 | - |
| Danya Electric Company | Group Entities | Outstanding payables | 202.34 | 41.83 | 40.96 | 27.64 |
| Jai Bharat Exchangers | | | 8.57 | 29.30 | 130.70 | 63.45 |
| Mr. Vee Rajmohan | Key Managerial Personal | Remuneration | 3.40 | 10.20 | 9.99 | 8.82 |
| Mrs. Savita Pradeep | | | 1.80 | 5.10 | 4.80 | 4.39 |

For Further details of Related Party Transaction, please refer to the chapter titled annexure 31 on page 178 of this Prospectus.

FINANCING ARRANGEMENTS

There have been no financing arrangements whereby our Promoters, members of the Promoter Group, our directors and their relatives have financed the purchase by any other person of securities of our Company during a period of

six (6) months immediately preceding the date of this Prospectus.

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

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

| Name of shareholders | No. of shares bought | Weighted Average Price (in Rs.) |
|-----------------------|----------------------|---------------------------------|
| Mr. Vee Rajmohan | 75,65,976 | 0.00 |
| Mr. K V Pradeep Kumar | 50,65,196 | 0.00 |

As certified by auditor M/s P P N and Company, Chartered Accountants, dated December 08, 2023.

AVERAGE COST OF ACQUISITION

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

| Name of the Promoter | No. of Shares held | Average cost of Acquisition (in Rs.) |
|-----------------------|--------------------|--------------------------------------|
| Mr. Vee Rajmohan | 77,37,930 | 1.93 |
| Mr. K V Pradeep Kumar | 51,26,905 | 1.59 |

As certified by auditor M/s P P N and Company, Chartered Accountants, dated December 08, 2023

DETAILS OF PRE-ISSUE PLACEMENT

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

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

Our company has not issued any equity shares other than cash in the last one year except the following:

| S. No | Name of Allottees | No. of Shares Allotted | Face Value (Rs.) | Issue Price (Rs.) | Date of Allotment | Reason for Allotment | Benefit occurred to Issuer |
|--------------|---|------------------------|------------------|-------------------|--------------------|----------------------|----------------------------|
| 1. | Mr. Vee Rajmohan | 60,18,390 | 10 | N.A. | September 04, 2023 | Bonus Issue | Capitalization of Reserves |
| 2. | Ms. Savita Pradeep | 20,47,535 | 10 | N.A. | September 04, 2023 | Bonus Issue | |
| 3. | Ms. R Sasikala | 7,69,055 | 10 | N.A. | September 04, 2023 | Bonus Issue | |
| 4. | Mr. Kandasamyraja Beemaraja | 4,43,240 | 10 | N.A. | September 04, 2023 | Bonus Issue | |
| 5. | Mr. Namburi Kandasamyraja Karthik | 5,44,915 | 10 | N.A. | September 04, 2023 | Bonus Issue | |
| 6. | Mr. K V Pradeep Kumar | 21,59,815 | 10 | N.A. | September 04, 2023 | Bonus Issue | |
| 7. | Rajasthan Global Securities Private Ltd | 18,43,905 | 10 | N.A. | September 04, 2023 | Bonus Issue | |
| 8. | Ms. Savitha | 26,250 | 10 | N.A. | September 04, 2023 | Bonus Issue | |
| Total | | 1,38,53,105 | | | | | |

For Further Information regarding the Equity Shares issued by the company for consideration other than cash, please refer to the Chapter Titled "Capital Structure" on page 57 of this Prospectus.

SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

Our Company has pursuant to resolution dated July, 13, 2023 has made Sub-division of its shares from Face Value face value of Rs. 100/- to Rs. 10. /-:

| S. No | Date | Particular | No of share before sub-division | No of share after sub-division |
|-------|---------------|------------------------|---------------------------------|--------------------------------|
| 1. | July 13, 2023 | Sub-division of shares | 39,58,030 | 3,95,80,300 |

For Further Information regarding the Equity Shares issued by the company for consideration other than cash, please refer to the Chapter Titled “Capital Structure” on page 57 of this Prospectus.

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

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

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SECTION III- RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information in this Prospectus, including the risks and uncertainties summarized below, before making an investment in our Equity Shares. The risks described below are relevant to the industries our Company is engaged in, our Company and our Equity Shares. To obtain a complete understanding of our Company, you should read this section in conjunction with the chapters titled “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page numbers 114 and 246, respectively, of this Prospectus as well as the other financial and statistical information contained in this Prospectus. Prior to making an investment decision, prospective investors should carefully consider all of the information contained in the section titled “Financial Information, as Restated” beginning on page number 182 of this Prospectus.

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

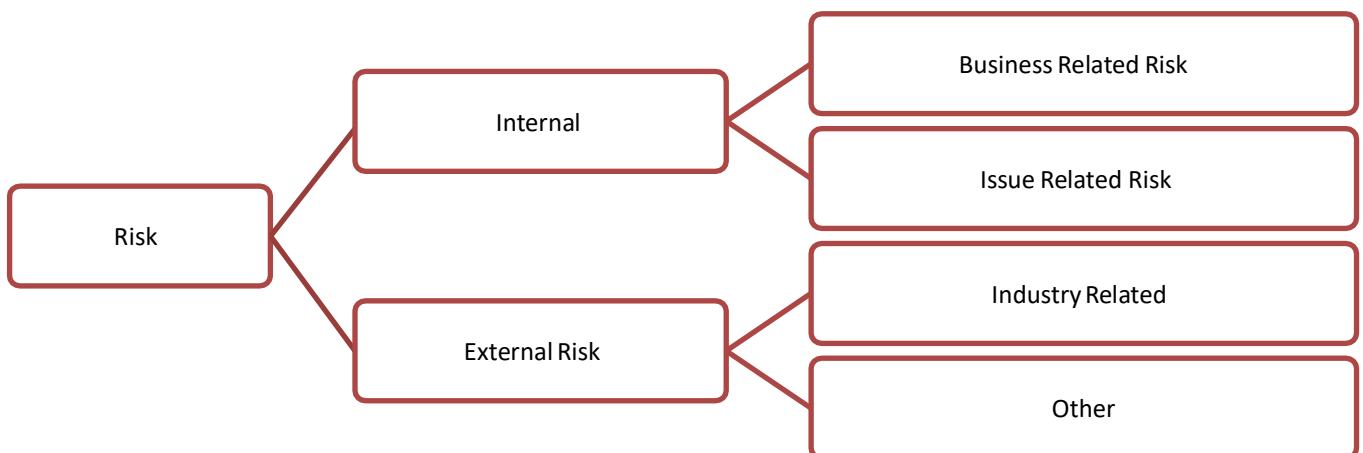
This Prospectus also contains forward looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of many factors, including the considerations described below and elsewhere in the Prospectus.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

Materiality

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

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

Classification of Risk Factors



Internal Risk Factors

1. *Our present promoters of the Company are first generation entrepreneur.*

Our present Promoters are first generation entrepreneurs. Their experience in managing and being instrumental in the growth of our Company is limited to the extent of their knowledge and experience and we cannot assure that this will not affect our business growth. However our promoters have experience of more than 40 years cumulatively. Investors and stakeholders may be more cautious when the entrepreneurs belong to first generation. This could affect the ability to secure funding or partnerships that are critical for growth. Established entrepreneurs often have extensive networks within their industries, which can be invaluable for partnerships, collaborations, and accessing resources. First-generation entrepreneurs may have limited connections, making it more challenging to tap into these opportunities.

2. *Our Promoters/ Directors are involved in certain legal proceedings/litigations. Any adverse decision in such proceedings may render us/them liable to penalties and may adversely affect our business and result of operations.*

Our Promoters/ Directors are involved in certain legal proceedings and claims in relation to certain criminal matters incidental to our business and operations. Any adverse decision may render us/them liable to liabilities/penalties and may adversely affect our business and results of operations. A classification of these legal and other proceedings are as follows:

Litigations involving our Promoters/Directors:

| Nature of litigation | Number of cases outstanding | Amount in dispute (in Rupees) |
|-----------------------------------|-----------------------------|-------------------------------|
| <i>By our Promoters/Directors</i> | | |
| Civil cases | Nil | Nil |
| Criminal Cases | 1 | Unascertainable |

Brief details of Criminal Case

Mr. Vee Rajmohan

| Sr. No. | Case Reg No. | Court Name | Plaintiff/ Complainant | Petitioner/ Bureau of Economic | Defendant/ Respondent | Case Status |
|---------|--------------|--------------------------------------|--|--------------------------------------|--------------------------|-----------------------|
| 1 | CC /219/2023 | V Additional Metropolitan Magistrate | M/s Central Investigation Offence Branch | | 10 th Accuse | Examination of Accuse |

Description of the case: CBI Economic offence Wing has taken cognizance under section 120B r/w 420, 467, 468, and 471 of Indian Penal Code based on complaint received from State Bank Of India against M/s. Meghana Metallurgy Pvt. Ltd & their director's for fraud against bank in repayment of dues and collateral towards which FIR has been filed in 2015. However, during the course of investigation Mr. Vee Rajmohan, was added as Accuse no: 10 in final report.

The allegation is that in year 2010-2011 Mr. Vee Rajmohan has supplied goods to M/s Meghana Metallurgy Pvt. Ltd through partnership firm M/s Industrial Engineers (Currently Dissolved) and M/s. Dhanya Electric. Based on the bills issued by the above said partnership name M/s. Meghana Metallurgy Pvt. Ltd has opened a Letter of credit in their respective firm names. Subsequently the Letter of Credit (LC) has been discounted in respective partnership firms Bank and the received LC amount has been transferred to M/s. Meghana Metallurgy Pvt. Ltd director's and their friends. Meanwhile M/s. Meghana Metallurgy Pvt. Ltd has repaid all the pending dues and obtained no due certificate from Complainant bank on 08.08.2019.

Current Status of the Case: Stage of case is For Examination of accuse and Charge Sheet is filed. Since the Trail has started only in the month of April 2023 and also the alleged amount is paid to the bank, therefore with the strength of no due certificate and other documents we are exploring to all the appropriate legal remedy to discharge from this Case by establishing our bonafide reasons.

For further details, refer the chapter “Outstanding Litigation and Material Developments” beginning on page 261 of this Prospectus.

3. ***One of our objects of the issue includes Capital expenditure, which will take a period of twelve months for set up.***

The establishment of a manufacturing setup is a complex and time-consuming process that can indeed take a significant amount of time, often spanning 12 months or more. During this period, there are several risks and challenges that can potentially arise, including cost overruns and escalation of expenses.

1. **Cost Overrun:**

- **Unforeseen Expenses:** During the setup phase, various unforeseen expenses can emerge. These may include unexpected regulatory compliance costs, delays in obtaining permits, or unforeseen technical challenges. These unanticipated costs can lead to a significant increase in the overall project budget.
- **Inaccurate Initial Budgeting:** Sometimes, initial budget estimates may not fully account for all the necessary expenses. As the project progresses, it becomes evident that additional funds are required to complete the setup. This can strain the financial resources of the company.

2. **Escalation of Expenses:**

- **Material and Labor Costs:** The cost of raw materials, equipment, and labor can fluctuate over time. Inflation, changes in market conditions, or supply chain disruptions can lead to increased costs. If the setup project takes longer than initially planned, these escalating expenses can impact the overall budget.
- **Regulatory Changes:** Regulatory requirements can change over time, necessitating modifications to the manufacturing setup to ensure compliance. These changes can lead to increased costs, especially if they require retrofitting or redesigning aspects of the setup.

For details of the funds utilization for IPO, please refer the page no.76 of the chapter “Object of the Issue”.

4. ***We will be required to obtain certain licenses for set up of new factory. If we do not receive these licenses within time, it will hamper the business operations and we may face operational disruptions.***

One of our objects of the issue includes Capital expenditure, the details of which are given in the chapter “Objects of the Issue” beginning on page no. 76. For starting the operations of the new factory, we will be required to obtain certain licenses which includes but not limited to factory license, Fire Service License. In case of non receipt of these licenses, we may face severe legal, financial, operational, and safety risks.

Operating without the necessary licenses can lead to substantial fines and penalties imposed by regulatory authorities. These fines can accumulate over time, significantly impacting the financial health of the business. On the other hand, Regulatory bodies may take legal action against the company and the authorities have the power to shut down the factory if it operates without proper licenses. This can halt production, disrupt supply chains, and lead to financial losses which includes increased costs, such as paying higher fines, legal fees, and compensations in case of accidents.

Further, operating illegally can tarnish the company's reputation. Customers, suppliers, and partners may lose trust in the business, affecting long-term relationships and brand value. This can lead to a financial crisis for the that unit of the business.

5. *The Pre-IPO shareholding of the promoters and promoter group is 79.37% and the post-IPO shareholding will remain 56.56%. The market's perception of their reduced involvement may impact the valuation and liquidity of their shares.*

As on the date of this Prospectus, the shareholding of the promoters and promoter group is 79.37% and after IPO, their shareholding will be 56.56%. When the promoters' ownership stake is reduced to a minority position, they may no longer have the ability to make key strategic decisions or influence the direction of the company. This can result in a loss of control over the business. In addition to this, a low promoter shareholding can create a misalignment of interests between the promoters and other shareholders which can lead to conflicts and disagreements over the company's strategy and priorities.

For more details of the shareholding of the company, please refer to the chapter “Capital Structure” beginning on page no. 57.

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

Our ability to manufacture and make timely deliveries of our products is dependent upon the availability of raw materials and the cost incurred over them.

Our consolidated raw material expenditure for the following period are as follows:

(Amount in Lakhs, except %)

| Particulars | For the period ended on July 31, 2023 | For the year ended on March 2023 | For the year ended on March 2022 | For the year ended on March 2021 |
|-------------------------------|---------------------------------------|----------------------------------|----------------------------------|----------------------------------|
| Raw Material Consumption | 2,707.15 | 5,802.45 | 4,074.63 | 3,021.35 |
| % from Revenue from operation | 78.94% | 76.82% | 87.43% | 85.47% |

We generally do not enter into agreements with our suppliers and transact with them on an order-by-order basis, and we cannot assure you that we will continue to enjoy undisrupted relationships with our suppliers in the future. We cannot assure you that we will be able to procure such specific raw materials in a timely manner or at commercially acceptable terms, or at all, resulting in delays in production and delivery of our products.

If we are unable to obtain adequate supplies of raw materials in a timely manner or on commercially acceptable terms, the cost of raw material consumption can increase, which could have an adverse effect on our business, prospects, results of operations and financial condition.

7. *Our Company operation and growth is dependent upon successfully implementation our business strategies.*

The success of our business depends substantially on our ability to implement our business strategies effectively, like expansion of our product range with a focus on value added products. We have successfully executed our business strategies in the past but there can be no guarantee that we can implement the same on time and within the estimated budget going forward, or that we will be able to meet the expectations of our targeted customers. Changes in regulations applicable to us may also make it difficult to implement our business strategies. Failure to implement our business strategies would have a material adverse effect on our business and the results of operations.

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

Our Company had negative cash flows from our operating activities in previous year, investing activities (largely due to purchase of investments and of fixed assets, including intangible assets) in the current and previous years and financing activities in the current and previous years as per the Restated Financial Statements and the same are summarized as under.

(Amount in Lakhs)

| Net Cash Generated from | For the period ended on July 31, 2023 | For the year ended on March 2023 | For the year ended on March 2022 | For the year ended on March 2021 |
|-------------------------|---------------------------------------|----------------------------------|----------------------------------|----------------------------------|
| Operating Activities | 778.66 | 444.51 | (131.43) | 571.46 |
| Investing Activities | (746.47) | (229.58) | 7.80 | 8.70 |
| Financing Activities | (35.29) | (243.58) | (113.70) | (335.06) |

Any such negative cash flows in the future could adversely affect our business, financial condition and results of operations. For more details, kindly refer to the page no. 182 in the chapter title “*Financial Information as restated*”.

9. ***We have obtained some of our contracts through government tenders, unavailability or any failure to secure these tenders in the future may adversely affect our business operations and financial conditions.***

Our Company generates a significant portion of revenue constituting approximately 60-80% from the contracts through government tenders.

Bifurcation Revenue from Operation

(Amount in Lakhs)

| S. No. | Classification | For the period ending on July 31, 2023 | For the period ending on March 31, 2023 | For the period ending on March 31, 2022 | For the period ending on March 31, 2021 |
|--------|-------------------------------|--|---|---|---|
| 1. | Government Tenders | 1,566.32 | 4,487.20 | 3,738.52 | 2,804.35 |
| 2. | Other than Government Tenders | 1,863.02 | 3,065.82 | 921.95 | 730.82 |
| | Total | 3,429.34 | 7,553.03 | 4,660.47 | 3,535.17 |

In the past, our Company has done various projects which are secured by us through government tenders process. Our inability to secure them or if we lose any existing contract, or the unavailability of these tender, in the future may adversely affect our business operations and financial conditions.

10. ***Our business operations are subject to various operating risks at our sites, accidental risk, the occurrence of which can affect our results of operations and consequently, financial condition of our Company.***

Our business operations are subject to operating risks, such as breakdown or failure of plant & machineries and equipments used at the sites, shortage of consumables, performance below expected levels of output or efficiency, natural disasters, and labour disputes. The occurrence of these risks, if any, could significantly affect our operating results, and the slowdown / shutdown of business operations may have a material adverse effect on our business operations and financial conditions.

Further, usage of machinery, handling of materials by labour during manufacturing process, testing of electrical equipments or otherwise, lifting of materials by humans, etc. may result in accidents, which could cause injury to our labours, employees, other persons on the site and could also damage our properties thereby affecting our operations. Occurrence of accidents could hamper our manufacturing process and consequently affect our profitability.

11. The majority of our revenue primarily comes from the state of Tamil Nadu in terms of geographical distribution.

As on date of this Prospectus, our revenue from operations are sourced from Tamil Nadu only. Relying heavily on revenue from one state can expose a company to various risks, primarily related to geographical concentration. Economic instability in the state can have a direct and immediate negative effect on your business. In addition to this, there may be limitations to market growth, depending on the size and population of the state which can lead to intense local competition to maintain market share and pricing power, potentially leading to margin pressure.

12. Our top ten customers contribute significant portion of our revenues during the current and previous financial years. Any loss of business from one or more of them may adversely affect our revenues and profitability.

Following are the details of the revenue, our Company has generated from its Top 10 Customers:

(Amount in Lakhs, except %)

| Particulars | For the period ending on July 31, 2023 | For the period ending on March 31, 2023 | For the period ending on March 31, 2022 | For the period ending on March 31, 2021 |
|-------------------------|--|---|---|---|
| Top 10 Customers | 2,658.01 | 6,445.47 | 4,106.79 | 2,907.57 |
| % of Revenue | 75.38% | 82.74% | 87.92% | 81.98% |
| Revenue from operations | 3,429.34 | 7,553.03 | 4,660.47 | 3,535.17 |

**Standalone figures*

Any decline in our quality standards, growing competition and any change in the demand for our products by these customers may adversely affect our ability to retain them. We cannot assure that we shall generate the same quantum of business, or any business at all, from these customers, and loss of business from one or more of them may adversely affect our revenues and profitability.

13. Our inability to effectively manage project execution may lead to project delays which may affect our business and results of operations.

Our business is dependent on our ability to effectively manage the execution of our projects. An inability to effectively manage our operations, including ineffective or inefficient project management procedures could increase our costs and expenses, result in project delays and thereby affect our business operations & profitability. The effectiveness of our project management processes and our ability to execute projects in a timely manner may be affected by various factors such as availability of resources, timeline, stakeholder involvement, and budget. If such factors are not effectively considered and utilized during project execution, it can have a negative impact on the project and its outcomes, which may affect our business and results of operations.

14. Our Company operations requires significant amount of working capital for a continuing growth. Our inability to meet our working capital requirements may adversely affect our results of operations.

Our Company's business operations require a significant amount of working capital. In our business, working capital is often required to finance the procurement of raw material and for salaries of employees. In the event, we are unable to source the required amount of working capital, we might not be able to efficiently satisfy the demand of our clients in a timely manner or at all. Even if we are able to source the required amount of funds, we cannot assure you that such funds would be sufficient to meet our cost estimates, which could have adverse effect on our financial conditions and results of operations.

There exist substantial requirement of working capital and financing in the form of fund and non-fund based working capital facilities to meet our requirements. The details of our working capital for the period ended July 31,

2023 and year ended March 31, 2023, March 31, 2022, and March 31, 2021 are as under which is showing continuous increase:

| Particulars | For the period ending on July 31, 2023 | For the period ending on March 31, 2023 | For the period ending on March 31, 2022 | For the period ending on March 31, 2021 |
|---|--|---|---|---|
| Current Assets | | | | |
| Trade Receivables | 3,461.77 | 2,446.89 | 1,787.39 | 1,575.12 |
| Cash & Cash Equivalents | 2.61 | 5.71 | 34.36 | 271.71 |
| Inventories | 2148.48 | 1549.94 | 976.96 | 831.60 |
| Short term loans and advance | - | | | |
| Other Current Assets | 212.00 | 113.63 | 99.58 | 211.43 |
| Total (A) | 5,824.86 | 4,116.17 | 2,898.29 | 2,889.86 |
| Current Liabilities | | | | |
| (a) Short-Term Borrowings | 1042.80 | 544.72 | 592.97 | 1792.16 |
| (b) Trade Payables | | | | |
| (i) total outstanding dues of micro enterprises and small enterprises; and | 352.45 | 435.09 | 248.58 | 328.55 |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | 2,430.31 | 1281.46 | 1350.58 | 238.98 |
| (c) Other Current Liabilities | 349.00 | 112.42 | 10.57 | 16.19 |
| (d) Short-Term Provisions | 425.74 | 291.03 | 18.87 | 12.54 |
| Total (B) | 4600.30 | 2664.72 | 2221.57 | 2388.42 |
| Net Working Capital (A)-(B) | 1,224.56 | 1,451.45 | 676.72 | 501.44 |

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

As our company is into the manufacturing business, utilisation of its full capacity is very important to maximize the efficiency and profitability of our business.

The details of capacity utilisation by our Company in the past periods are shown below:

| Description | Particulars | UOM | 31st July 2023 | 31st March 2023 | 31st March 2022 | 31st March 2021 |
|------------------------------------|--------------------|-----|--------------------|-----------------|-----------------|-----------------|
| Overall Plant & Machinery Capacity | Installed capacity | MVA | 2500.00 | 2500.00 | 2500.00 | 2500.00 |
| | Actual production | MVA | 201.00 | 758.27 | 192.45 | 245.13 |
| | Capacity Utilized | % | 24.12 [@] | 30.33 | 7.70 | 9.81 |

The trend shows that our manufacturing facilities are not operating at optimum capacity utilization and there can be no assurance that we will be successful in achieving such utilization levels. Further, if we are unable to utilise our full capacity, that may affect the results of operations and financial conditions.

Further the “Objects of the Issue” as given on the page no 76 of this Prospectus includes capital expenditure in which we intend to setup a plant at Kannur. We have not reached the maximum utilization of our existing capacity, however we are setting up a new plant. If the present trend of current utilization continues we may not be able to utilize the manufacturing capacity of the new plant.

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

The fund requirement and deployment, as mentioned in the “Objects of the Issue” on page 76 of this Prospectus is based on the estimates of our management and has not been appraised by any bank or financial institution or any other independent agency. These fund requirements are based on our current business plan. We cannot assure that the current business plan will be implemented in its entirety or at all. In view of the highly competitive and dynamic nature of our business, we may have to revise our business plan from time to time and consequently these fund requirements. The deployment of the funds as stated under chapter Objects of the Issue is at the discretion of our Board of Directors and is not subject to monitoring by any external independent agency and the audit committee of the Company will monitor the deployment of funds and provide disclosure for the same as per applicable provisions. Further, we cannot assure that the actual costs or schedule of implementation as stated under chapter Objects of the Issue will not vary from the estimated costs or schedule of implementation. Any such variance may be on account of one or more factors, some of which may be beyond our control. Occurrence of any such event may delay our business plans and/or may have an adverse bearing on our expected revenues and earnings.”

- 17. *The average cost of acquisition of Equity Shares by our Promoters is lower than the issue price.***

Our Promoters’ average cost of acquisition of Equity Shares in our Company is lower than the Issue Price of the shares proposed to be offered through this Prospectus. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company, please refer to page no. 68 of this Prospectus.

- 18. *Our major revenue is sourced from sale of our products which is transformers. Our inability or failure to manage and attract more clients in this regards could adversely affect our business.***

A major portion of our business revenue is derived from the sales of product which is transformers. If there is a disruption in the form of new technology in the manufacturing of transformers then it may lead to disruption in the business. If our company is unable to adapt to the new technology in a timely manner or if the demand for transformers and other heavy electrical goods does not grow faster enough or it takes longer to reach higher volumes than we anticipate, or if we are unable to get the government tenders which constitutes major portion of our revenue, our revenue may disrupt and thereby our business, operational and financial results may be adversely affected.

- 19. *Our Promoters, Directors have provided personal guarantees to loan facility availed by us, which if revoked may require alternative guarantees, repayment of amount due or termination of the facilities.***

Our company has taken secured loan by creation of hypothecation/mortgage over stock & book debts and vehicles, for which our promoters have given personal guarantee.

Our Promoters, Directors have provided personal guarantees to certain loan facilities availed by us. In the event that any of these guarantees are revoked or withdrawn, the lenders for such facility may require alternative guarantees, repayment of amounts outstanding under such facilities, or may even terminate such facility. We may not be successful in procuring alternative guarantees satisfactory to the lender, and as a result may need to repay the outstanding amounts under such facility or seek additional sources of capital, which may not be available on acceptable terms or at all and any such failure to raise additional capital could affect our operations and our financial conditions.

Additionally, our company has created charges over the Stock & Book Debts, Vehicle etc. in favour of our lenders to secure our indebtedness. In the event that any lender seeks the accelerated repayment of any such loan or seeks

to, and is successful in, enforcing any other rights against us there could be a material adverse effect on our business, cash flows, financial condition and results of operations.

20. *Our profitability and business operations is significantly dependent on our ability to successfully anticipate the industry and client requirements. Any failure on our part to do so, may have an impact on our operations, which could have an adverse effect on our revenue, reputation, financial conditions, results of operations and cash flows.*

Our profitability, business operations and its success is significantly dependent on our ability to ensure continued demand for our products in existing and proposed markets, which requires us to continuously anticipate and respond in a timely manner to customer requirements and preferences. If we are unable to successfully anticipate customer requirements or are unable to modify our current portfolio of products or develop new products, in a timely manner, we may lose customers.

Though we are committed to product innovation to respond to changing technology in the electric equipment industry, there can be no assurance that we would be successful in developing new products that respond to such changes or changes in customer requirements and preferences or that our products would gain acceptance in our existing or new markets. Any enhancement to our existing offerings or new offerings that we develop and introduce involves significant commitment of time and resources and is subject to a number of risks and challenges including:

- ensuring the timely deployment of new offerings and features;
- adapting to emerging and evolving industry standards, technological developments by our competitors and changing client requirements;
- operating effectively with existing or newly-introduced technologies, systems, or applications of our existing and prospective clients.

The development of alternative technologies or a fundamental shift in technologies in key markets for our electric equipment could have an adverse effect on our business. Moreover, failure to correctly anticipate trends and adapt to the changing technological environment may result in reduced demand for our products which could have adverse effect on our revenue, reputation, financial conditions, results of operations and cash flows.

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

As of four months period ended July 31, 2023 we have entered into several related party transactions with our Promoters, individuals and entities forming a part of our promoter group relating to our operations aggregate amount to Rs. 1,112.07 Lakhs on standalone basis. In addition, we have in the past also entered into transactions with other related parties.

For further details, please refer to the chapter titled “Financial Information – Restated Financial Information – Annexure 31: Restated Statement of Related Party Transactions” beginning on page 182. While we believe that all our related party transactions have been conducted on an arm’s length basis as per the Companies Act, 2013, and other applicable laws, we cannot assure you that we may not have achieved more favorable terms had such transactions been entered into with unrelated parties. The related party transactions are conducted on arm length basis and are in compliance as per the provisions of Companies Act, 2013. There can be no assurance that such transactions, individually or taken together, will not have an adverse effect on our business, prospects, results of operations and financial condition, including because of potential conflicts of interest or otherwise. In addition, our business and growth prospects may decline if we cannot benefit from our relationships with them in the future.”

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

We operate in a highly competitive market, with participants in the organized and the unorganized sectors. There are no entry barriers in our industry, which puts us to the threat of competition from new entrants. We face competition from other manufacturers, traders, suppliers and importers of electric equipment in relation to our offerings.

There are various principal factors affecting competition in our business which includes:

- Quality of the products and services Company offers
- Consumer preferences and demand
- Relationship with Clients
- Brand recognition and reputation in the market
- Pricing strategy
- timely delivery of the products and services.

In the event of inability to compete effectively in the market, this can increase competition in the market, lower our market share, reduce our operating margins and adversely affect our results of operations.

23. *In addition to normal remuneration, other benefits and reimbursement of expenses some of our Directors (including our Promoters) and Key Management Personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company.*

Some of our Directors (including our Promoters) and Key Management Personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company, in addition to normal remuneration or benefits and reimbursement of expenses. As a result, our directors will continue to exercise significant control over our Company, including being able to control the composition of our board of directors and determine decisions requiring simple or special majority voting, and our other Shareholders may be unable to affect the outcome of such voting. We cannot assure you that our directors or our Key Management Personnel would always exercise their rights as shareholders to the benefit and best interest of our Company, thereby adversely affecting our business and results of operations and prospects.

24. *If we fail to maintain an effective system of internal controls, we may not be able to successfully manage or accurately report our financial risk.*

Effective internal controls are necessary for us to prepare reliable financial reports and effectively prevent and detect any frauds or misuse of funds. Moreover, any internal controls that we may implement, or our level of compliance with such controls, may decline over time. There can be no assurance that additional deficiencies or lacks in our internal controls will not arise in the future, or that we will be able to implement and continue to maintain adequate measures to rectify or mitigate any such deficiencies or lacks in our internal controls. If internal control weaknesses are identified in a delayed manner, our actions may not be sufficient to correct such internal control weakness. Such instances may also adversely affect our reputation, thereby adversely impacting our business, results of operations and financial condition.

25. *Any infringement of third party intellectual property rights or failure to protect our intellectual property rights may adversely affect our business.*

As on date of this Prospectus, we own one trademark, the details of which are given in the chapter “Our Business” beginning on page no. 114 of this Prospectus. Our Company undertakes regular updates and changes in our products to keep up to date with prevalent technology and market requirements. We cannot assure that that our products do not or will not inadvertently infringe valid third party intellectual property rights, which may expose us to expensive legal proceedings. If we are unsuccessful to defend ourselves against such claims in relation to use of intellectual

property right, we may be subject to injunction and/or required to pay compensation which may adversely affect our business.

Further, we do not register any of the designs developed by us under the Designs Act, 2000 for any of our products. As such, it would be difficult for us to enforce our intellectual property rights in any of these designs or products, in the event our competitors or other companies in the electric equipment industry copy our designs or develop and market products manufactured using the same or similar technology as our electric equipment. Therefore, in case of failure to protect our intellectual property rights may adversely affect our business operation and financial conditions.

26. *We require certain quality certifications, approvals, licenses, registrations and permits to operate our business, and failure to obtain or renew them in a timely manner or maintain the statutory and regulatory permits and approvals may adversely affect our operations and financial conditions.*

Our Company is an ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 certified company for design, manufacturing and supply of various types of transformers. Further, we require certain statutory and regulatory permits, licenses and approvals to operate our business.

Though, we believe that we have obtained those certifications, permits and licenses which are adequate to run our business. There can be no assurance that the relevant authorities will issue or renew any of such certifications, permits or approvals in time or at all. Failure to renew, maintain or obtain the required permits or approvals in time may result in the interruption of our operations and may have a material adverse effect on our business. For further details, please refer to section titled “Government and Other Statutory Approvals” beginning on page 267 of this Prospectus.

27. *Certain Agreements, deeds or licenses, statutory approvals and certificates may be in the previous name of the company, we have to update the name of our company in all the statutory approvals and certificates due to the conversion of our Company.*

Our company Supreme Power Equipment Limited was converted into a public limited company, as per the shareholder's resolution. This was followed by a fresh certificate of incorporation dated September 18, 2023. As a result of this conversion, we must update the name on all of our statutory approvals and certificates, including the PAN.

However, we cannot guarantee that we will be able to update all of these documents in a timely manner, in case of failure to update these documents could result in legal and financial complications, which may subject us to increased compliance costs, which may in turn result in an adverse effect on our financial condition.

28. *We are subject to stringent labour laws or other industry standards and any strike, work stoppage, Lock-out or increased wage demand by our employees or any other kind of disputes with our employees could adversely affect our business, financial condition and results of operations.*

Our manufacturing activities are labour-intensive. We are subject to a number of stringent labour laws that protect the interests of our workers. We have not experienced significant labour unrest in the past, strikes, lock-outs and other labour action but such may have an adverse impact on our operations, and if not resolved in a timely manner, could lead to disruptions in our operations. We cannot guarantee that we will not experience any strike, work stoppage, lock out or increased wage demand or other industrial action in the future and any such event could adversely affect our business, results of operation and financial condition.

29. *We are dependent on our promoters and our management team and the loss of, or our inability to hire, retain, train, and motivate qualified personnel could adversely affect our business, results of operations and financial condition.*

Our promoters Mr. Vee Rajmohan, Managing Director, Mr. K V Pradeep Kumar, Whole time director has over 30 years of experience individually, in the manufacturing of electrical transformers and is responsible for the growth of our business and is closely involved in the overall strategy, direction and management of our business.

We are also dependent on our senior management, directors and other key personnel, and believe our senior management and their understanding of the industry trends and market changes have been instrumental in the success of our brand amongst our customers. The loss of the services of our key personnel and any of our other executive officers, and our inability to find suitable replacements, could result in a decline in sales, delays in product development, and harm to our business and operations.

As on July 31, 2023 we have 61 employees. We cannot guarantee that we will be able to recruit and retain qualified and capable employees.

We may incur significant costs to attract and recruit skilled personnel, and we may lose new personnel to our competitors or other technology companies before we realise the benefit of our investment in recruiting and training them. If we fail to attract new personnel or fail to retain and motivate our current personnel who are capable of meeting our growing technical, operational, and managerial requirements on a timely basis or at all, our business may be adversely affected.

30. *We are subject to various laws and regulations and required to comply with several regulatory compliance requirement, in jurisdictions where we operate, including environmental and health and safety laws and regulations, which may subject us to increased compliance costs, which may in turn result in an adverse effect on our financial condition.*

Our operations are subject to various national, state and local laws and regulations. We are subject to laws specific to the industry in which we operate, as well as laws generally governing business in India, including those relating to the protection of the environment and occupational health and safety, including those governing the generation, handling, storage, use, management, transportation and disposal of, or exposure to, environmental pollutants or hazardous materials resulting from our manufacturing processes.

Our inability to control the costs involved in complying with these and other relevant laws and regulations and Failure to comply with these laws and regulations can result in severe penalties, including fines, legal action, and damage to the business's reputation, which could have an adverse effect on our business, financial condition, results of operations and cash flows.

For more details, please refer to chapter titled “*Key Regulations and Policies*” on page 139 of this Prospectus.

31. *Any variation in the utilisation of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders’ approval.*

We propose to utilise the Net Proceeds towards the objects of the Company as mentioned in chapter titled “*Objects of the Issue*” beginning on page 76. At this stage, 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 competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Sections 13(8) and 27 of the Companies Act, 2013, we cannot undertake any variation in the utilisation of the Net Proceeds without obtaining the shareholders’ approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilisation of the Net Proceeds, we may not be able to obtain the shareholders’

approval in a timely manner, or at all. Any delay or inability in obtaining such shareholders' approval may adversely affect our business or operations.

Further, our Promoters would be liable to provide an exit opportunity to shareholders who do not agree with our proposal to change the objects of the Issue or vary the terms of such contracts, at a price and manner as prescribed by SEBI. Additionally, the requirement of our Promoters to provide an exit opportunity to such dissenting shareholders may deter the Promoters from agreeing to the variation of the proposed utilisation of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoters or the controlling shareholders of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price prescribed by SEBI.

32. *Significant differences exist between Indian GAAP and other accounting principles, such as Ind AS, IFRS and U.S. GAAP, which may be material to investors' assessments of our financial condition, result of operations and cash flows.*

Our restated summary statements of assets and liabilities, restated summary statements of profit and loss (including other comprehensive income), cash flows and changes in equity for the four months period ended July 31, 2023 and Fiscals 2023, 2022 and 2021 have been prepared in accordance with the Indian GAAP.

We have not attempted to quantify the impact of US GAAP, IFRS or any other system of accounting principles on the financial data included in this Prospectus, nor do we provide a reconciliation of our financial statements to those of US GAAP, IFRS or any other accounting principles. Ind AS, US GAAP and IFRS differ in significant respects from Indian GAAP. Accordingly, the degree to which the Restated Financial Information included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS, Indian GAAP and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Prospectus should accordingly be limited.

33. *Our Company is subject to foreign exchange control regulations which can pose a risk of currency fluctuations.*

Our Company is involved in business transactions with international clients located globally and has to conduct the transactions in accordance with the rules and regulations prescribed under FEMA. Our international operations make us susceptible to the risk of currency fluctuations, which may directly affect our operating results. In case we are unable to adhere to the timelines prescribed under the applicable laws or are unable to mitigate the risk of currency fluctuation, it may adversely affect our business, results of operations, financial conditions and cash flows.

34. *Our Company has not paid any dividend in past 3 financials years and our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition or cash flows.*

Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements. Our business is working capital intensive and declaration of dividend will depend upon financial performance of our Company at the time of declaration. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements (if any) in respect of our operations, financial condition and results of operations. Our Company has not declared dividends in the past and there can be no assurance that our Company will declare dividends in the future. For further details, please refer to the chapter titled "Dividend Policy" on pages 179 of this Prospectus.

35. *Industry information included in this Prospectus has been derived from an industry report from various websites. The reliability on the forecasts of the reports could be incorrect and would significantly impact our operations.*

We have relied on the reports of certain independent third party for purposes of inclusion of such information in this Prospectus. These reports are subject to various limitations and based upon certain assumptions that are subjective in nature. We have not independently verified data from such industry reports and other sources. Although we believe that the data may be considered to be reliable, their accuracy, completeness and underlying assumptions are not guaranteed and their dependability cannot be assured. While we have taken reasonable care in the reproduction of the information, the information has not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Prospectus.

36. *Our Company's future funding requirements, in the form of further issue of capital or other securities and/or loans that might be availed by us, may turn out to be prejudicial to the interest of the shareholders depending upon the terms and conditions on which they are raised.*

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

Issue Related Risk Factors

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

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

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

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

- Volatility in the Indian and global capital market;
- Company's results of operations and financial performance;

- Performance of Company's competitors,
- Adverse media reports on Company or pertaining to our Industry;
- Changes in our estimates of performance or recommendations by financial analysts; and
- Significant developments in India's economic and fiscal policies;

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

39. *Market price of our share will be decide by market forces and issue price of equity share may not be indicative of the market price our share price after the issue.*

After listing and trading permission of equity shares, the price of the shares shall be driven by free market forces. The market price of a company's share is determined by the forces of supply and demand in the stock market. These forces are influenced by a variety of factors, including the company's financial performance, industry trends, economic conditions, and investor sentiment.

When a company issues equity shares, it sets an issue price based on various factors such as the company's valuation, the prevailing market conditions, and the demand for its shares. However, the issue price is not necessarily indicative of the market price of the shares after the issue.

Once the shares are listed on the stock exchange, their price is determined by the forces of supply and demand in the market. If there is strong demand for the shares, the price may rise above the issue price, and if there is weak demand, the price may fall below the issue price.

Therefore, while the issue price of equity shares provides a starting point for the company's valuation, it is not necessarily a reliable indicator of the market price of the shares after the issue. Investors should carefully evaluate all relevant factors and information before making investment decisions in the stock market.

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External Risk Factors

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

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

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

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

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

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

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. Demand for our products may be adversely affected by an economic downturn in domestic, regional and global economies. Economic growth in the country in which we operate is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports of materials, global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production. Consequently, any future slowdown in the Indian economy could harm our business, results of operations, financial condition and cash flows.

43. *Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.*

Inflation is typically impacted by factors such as governmental policies, regulations, commodity prices, liquidity and global economic environment. Any change in the government or a change in the economic and deregulation policies could adversely affect the inflation rates. Continued high rates of inflation may increase our costs such as salaries, travel costs and related allowances, which are typically linked to general price levels. There can be no assurance that we will be able to pass on any additional costs to our clients or that our revenue will increase proportionately corresponding to such inflation. Accordingly, high rates of inflation in India could have an adverse effect on our profitability and, if significant, on our financial condition.

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

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

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

Capital gains arising from the sale of equity shares within 12 months in an Indian company are generally taxable in India. Any gain realised on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gain being long term capital gain amounting to upto one lakhs rupees provided Securities Transaction Tax ("STT") is paid on the transaction. STT is levied on and collected by a domestic stock exchange on which equity shares are sold. Any gain realised on the sale of equity shares held for more than 12 months to an Indian resident, which are sold other than on a recognized stock exchange and on which no STT has been paid, is subject to long term capital gains tax in India. Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of equity shares is exempt from taxation in India where an exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident.

Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable to pay tax in India as well as in their own jurisdiction on a gain on the sale of equity shares

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

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

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

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

SECTION IV- INTRODUCTION

THE ISSUE

| Particulars | Details of Number of Shares |
|--|--|
| Issue of Equity Shares by our Company | 71,80,000 Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. 65/- per Equity Share aggregating to Rs. 4,667.00 Lakh. |
| Reserved for Market Makers | 9,32,000 Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. 65/- per Equity Share aggregating to Rs. 605.80 Lakh. |
| Net Issue to the Public | 62,48,000 Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. 65/- per Equity Share aggregating to Rs. 4,061.20 Lakh. |
| Of which: | |
| A. QIB portion ** | Not more than 31,20,000 Equity Shares |
| Of which | |
| (a) Anchor Investor Portion | Upto 18,70,000 Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. 65/- per Equity Share aggregating to Rs. 1,215.50 Lakhs |
| (b) Net QIB Portion (assuming the anchor Investor Portion is fully subscribed) | Upto 12,50,000 Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. 65/- per Equity Share aggregating to Rs. 812.50 Lakhs |
| Of which: | |
| (i) Available for allocation to Mutual Funds only (5% of the Net QIB Portion) | Upto 62,500 Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. 65/- per Equity Share aggregating to Rs. 40.63 Lakhs |
| (ii) Balance of QIB Portion for all QIBs including Mutual Funds | Upto 12,50,000 Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. 65/- per Equity Share aggregating to Rs. 812.50 Lakhs |
| B. Non – institutional portion ** | Not Less than 9,40,000 Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. 65/- per Equity Share aggregating to Rs. 611.00 Lakhs |
| C. Retail portion ** | Not Less than 21,88,000 Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. 65/- per Equity Share aggregating to Rs. 1,422.20 Lakhs |
| Pre-and Post-Issue Equity Shares: | |
| Equity Shares outstanding prior to the Issue | 1,78,11,135 Equity Shares of Rs.10/- each |
| Equity Shares outstanding after the Issue | 2,49,91,135 Equity Shares of Rs.10/- each |
| Use of Proceeds | Please see the chapter titled “Objects of the issue” on page 76 of this Prospectus for information about the use of Net Proceeds. |

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

- a) *Not less than Thirty five percent to retail individual investor;*
- b) *Not less than Fifteen percent to non-institutional investor*
- c) *Not more than fifty percent to qualified institutional buyers, five percent of which shall be allocated to mutual funds.*

Provided that the unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to applicants in the other category.

Provided further that in addition to five percent allocation available in terms of clause (C), mutual funds shall be eligible for allocation under the balance available for qualified institutional buyers.

Our Company, in consultation with the BRLM, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. The QIB Portion will accordingly be reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion shall be reserved for 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 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 Portions shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For details, see "Issue Procedure" on page 290.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories, as applicable, at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange, subject to applicable law.

Notes

- 1) *The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. The issue is being made by our company in terms of Regulation 229 (2) of SEBI (ICDR) Regulation, read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post issued paid-up equity share capital of our company are being offered to the public for subscription.*
- 2) *The Issue has been authorized by our Board pursuant to a resolution passed at its meeting held on September 04, 2023 and by our Shareholders pursuant to a resolution passed at the Annual General Meeting held on September 29, 2023. This Issue is made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details please refer to section titled "Issue Structure" beginning on page no. 323 of this Prospectus.*

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SUMMARY OF OUR FINANCIAL INFORMATION

CONSOLIDATED FINANCIAL STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

(Amount in ₹ Lakhs)

| Particulars | | Annx No. | Period ended July 31, 2023 | Year Ended March 31, 2023 |
|-------------|---|----------|----------------------------|---------------------------|
| A. | Equity and Liabilities | | | |
| 1 | Shareholders' Funds | | | |
| | (a) Share Capital | 6 | 395.80 | 395.80 |
| | (b) Reserves and Surplus | 7 | 1,902.46 | 1,409.89 |
| 2. | MINORITY INTEREST | 8 | 364.44 | 354.91 |
| 2 | Non-Current Liabilities | | | |
| | (a) Long-term borrowings | 9 | 426.48 | 455.91 |
| | (b) Deferred Tax Liabilities (Net) | 10 | 18.24 | 17.12 |
| | (c) Long-Term Provisions | 11 | 13.35 | 12.63 |
| 3 | Current liabilities | | | |
| | (a) Short term borrowings | 12 | 1,727.34 | 1,543.83 |
| | (b) Trade Payables | 13 | | |
| | a. Total Outstanding dues of Micro, Small and Medium enterprises | | 446.14 | 444.45 |
| | b. Total outstanding dues of creditors other than micro enterprises and small enterprises | | 2,855.44 | 1,713.16 |
| | (c) Other current liabilities | 14 | 414.37 | 119.78 |
| | (d) Short term provisions | 15 | 623.10 | 433.56 |
| | TOTAL | | 9,187.16 | 6,901.04 |
| B. | Assets | | | |
| 1 | Non-current assets | | | |
| | (a) Property, Plant & Equipment and Intangible Assets | 16 | | |
| | (i) Property, Plant & Equipment | | 1,101.85 | 460.88 |
| | (ii) Capital Work in Progress | | 2.56 | 2.56 |
| | (b) Long-Term Loans & Advances | | - | - |
| | (c) Other Non-Current Assets | 17 | 255.28 | 268.35 |
| 2 | Current assets | | | |
| | (a) Inventories | 18 | 2,833.65 | 2,041.42 |
| | (b) Trade Receivables | 19 | 4,564.02 | 3,261.05 |
| | (c) Cash & Bank Balances | 20 | 3.74 | 554.49 |
| | (d) Other Current Assets | 21 | 426.06 | 312.30 |
| | TOTAL | | 9,187.16 | 6,901.04 |

CONSOLIDATED FINANCIAL STATEMENT OF PROFIT AND LOSS AS RESTATED

(Amount in ₹ Lakhs)

| Particulars | | Annx No. | Period ended July 31, 2023 | Year ended March 31, 2023 |
|-------------|---|----------|----------------------------|---------------------------|
| I | Revenue from operations | 22 | 3,926.27 | 9,975.94 |
| | Other income | 23 | 1.34 | 14.91 |
| | Total Revenue | | 3,927.61 | 9,990.85 |
| II | Expenditure | | | |
| (a) | Cost of Consumption | 24 | 2,947.59 | 7,605.31 |
| (b) | Other Manufacturing Expenses | 25 | 54.35 | 134.55 |
| (c) | Employee Benefits Expenses | 26 | 41.26 | 136.17 |
| (d) | Finance Costs | 27 | 82.81 | 267.39 |
| (e) | Depreciation & Amortisation Expenses | 28 | 10.46 | 31.47 |
| (f) | Other Expenses | 29 | 97.32 | 284.26 |
| | Total expenditure | | 3,233.79 | 8,459.15 |
| III | Profit Before Exceptional and Extraordinary Items and Tax (I-II) | | 693.81 | 1,531.70 |
| IV | Exceptional and Extraordinary Items/ Prior Period Items | | 0.00 | 0.00 |
| V | Profit/(Loss) Before Tax (III-IV) | | 693.81 | 1,531.70 |
| VI | Tax expense | | | |
| | Current Tax | | 189.54 | 421.49 |
| | Deferred Tax | | 1.12 | 2.34 |
| VII | Profit (Loss) for the period (V-VI) | | 503.16 | 1107.88 |
| VIII | Less: Share of Minority Interest | | 10.59 | 25.59 |
| IX | Balance carried to reserve and surplus | | 492.57 | 1082.29 |
| X | Earnings per Equity Share of Rs.10 Each * | | | |
| | -Basic | | 2.77 | 6.08 |
| | -Diluted | | 2.77 | 6.08 |

* For calculation of Earnings per share - Shares including bonus shares is considered as denominator

CONSOLIDATED FINANCIAL STATEMENT OF CASH FLOW AS RESTATED

(Amount in Lakhs)

| | Particulars | For the Period ended July 31, 2023 | For the Period ended March 31, 2023 |
|----------|--|------------------------------------|-------------------------------------|
| A | CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| | Net Profit Before Tax | 693.81 | 1,761.98 |
| | Adjustments for: | | |
| | Depreciation | 10.46 | 31.47 |
| | Share of profit from Firm | - | (230.28) |
| | Provision for Gratuity | - | 1.72 |
| | Loss on Forex | - | 0.37 |
| | Profit on sale of Mutual Funds | - | (3.02) |
| | Interest Expenses | 50.93 | 236.08 |
| | Interest Income | (0.12) | (10.16) |
| | Operating Profit before working capital changes: | 755.08 | 1,788.16 |
| | Adjustments for changes in working capital: | | |
| | (Increase)/Decrease in Trade Receivables | (1,302.98) | (168.01) |
| | Increase/(Decrease)in Inventories | (792.23) | (796.09) |
| | (Increase)/Decrease in Other Current assets | (113.76) | (164.80) |
| | (Increase)/Decrease in Other Non-Current Assets | 13.07 | 7.63 |
| | Increase/(Decrease) in Short Term Borrowings | 124.88 | 296.36 |
| | Increase/(Decrease) in Trade and Other payables | 1,143.97 | (177.09) |
| | Increase/(Decrease)in Other Current Liabilities | 295.31 | 220.76 |
| | Cash generated from operations | 123.33 | 1,006.93 |
| | Income Taxes paid | - | (177.69) |
| | Net cash flow from operating activities (A) | 123.33 | 829.24 |
| B | CASH FLOW FROM INVESTING ACTIVITIES | | |
| | Interest Received | 0.12 | 13.94 |
| | Fixed assets purchased including Intangible Assets | (651.43) | (11.39) |
| | Proceeds from Sale of Mutual Funds | - | 13.02 |
| | Net cash generated by/ (used in) investing activities (B) | (651.31) | 15.56 |
| C | CASH FLOW FROM FINANCING ACTIVITIES | | |
| | Interest paid | (50.93) | (233.23) |
| | Increase/(Decrease) in Long-Term Borrowings | 29.22 | (32.47) |
| | Partner's Capital Net Off Additions / (Withdrawal) - Relating to Firm | (1.06) | (67.67) |
| | Net Cash generated by/ (used in) financing Activities (C) | (22.77) | (333.38) |
| | Exchange difference on translation of foreign operations | - | - |
| D | NET INCREASE IN CASH AND CASH EQUIVALENT (A+B+C) | (550.75) | 511.43 |
| | Opening Cash and Cash Equivalents | 554.49 | 43.06 |
| | CLOSING CASH AND CASH EQUIVALENT | 3.74 | 554.49 |
| | RECONCILIATION OF CASH AND CASH EQUIVALENTS WITH THE BALANCE SHEET: | | |
| | Cash & cash equivalent as per Balance sheet | 3.74 | 554.49 |
| | Cash & cash equivalent at the end of the period | 3.74 | 554.49 |

ANNEXURE- I

STANDALONE FINANCIAL STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

(Amt in Lakh)

| Particulars | | Note No. | For the period ended 31st July 2023 | For the year ended 31 March, 2023 | For the year ended 31 March, 2022 | For the year ended 31 March, 2021 |
|-------------|--|----------|-------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| A. | EQUITY AND LIABILITIES | | | | | |
| 1 | Shareholders' Funds | | | | | |
| | (a) Share Capital | 6 | 395.80 | 395.80 | 395.80 | 395.80 |
| | (b) Reserves and Surplus | 7 | 1,902.46 | 1,409.89 | 327.60 | 275.81 |
| 2 | Non-Current Liabilities | | | | | |
| | (a) Long-term borrowings | 8 | 269.17 | 264.22 | 376.62 | 257.35 |
| | (b) Deferred Tax Liability (Net) | 9 | 4.87 | 4.25 | 3.11 | 3.03 |
| | (c) Long-Term Provisions | 10 | 12.74 | 12.03 | 10.69 | 8.82 |
| 3 | Current liabilities | | | | | |
| | (a) Short term borrowings | 11 | 1,042.80 | 544.72 | 592.97 | 1,792.16 |
| | (b) Trade Payables | 12 | | | | |
| | a. Total Outstanding dues of micro, small and medium enterprises | | 352.45 | 435.09 | 248.58 | 328.55 |
| | b. Total outstanding dues other than micro, small and medium enterprises | | 2,430.31 | 1,281.46 | 1,350.58 | 238.98 |
| | (c) Other current liabilities | 13 | 349.00 | 112.42 | 10.57 | 16.19 |
| | (d) Short term provisions | 14 | 425.74 | 291.03 | 18.87 | 12.54 |
| | TOTAL EQUITY AND LIABILITIES | | 7,185.36 | 4,750.93 | 3,335.38 | 3,329.23 |
| B. | ASSETS | | | | | |
| 1 | Non-current assets | | | | | |
| | (a) Property, Plant & Equipment and Intangible Assets | | | | | |
| | (i) Property, Plant & Equipment | 15 | 900.55 | 257.01 | 272.55 | 299.68 |
| | (ii) Capital Work in Progress | 15 | 2.56 | 2.56 | - | - |
| | (b) Non-Current Investments | 16 | 326.55 | 231.28 | 10.00 | 10.00 |
| | (d) Other Non-Current Assets | 17 | 130.84 | 143.91 | 151.54 | 129.69 |
| 2 | Current assets | | | | | |
| | (a) Inventories | 18 | 2,148.48 | 1,549.94 | 979.96 | 831.60 |
| | (b) Trade Receivables | 19 | 3,461.77 | 2,446.89 | 1,787.39 | 1,575.12 |
| | (c) Cash & Bank Balances | 20 | 2.61 | 5.71 | 34.36 | 271.71 |
| | (d) Other Current Assets | 21 | 212.00 | 113.63 | 99.58 | 211.43 |
| | TOTAL ASSETS | | 7,185.36 | 4,750.93 | 3,335.38 | 3,329.23 |

STANDALONE FINANCIAL STATEMENT OF PROFIT & LOSS AS RESTATED
ANNEXURE – II
(Amt in lakhs)

| Particulars | Note No. | For the period ended 31st July 2023 | For the year ended 31 March, 2023 | For the year ended 31 March, 2022 | For the year ended 31 March, 2021 |
|---|-----------|-------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| I | | | | | |
| Revenue from operations | 22 | 3,429.34 | 7,553.03 | 4,660.47 | 3,535.17 |
| Other income | 23 | 96.61 | 237.10 | 10.45 | 11.60 |
| | | | | | |
| Total Income(1+2) | | 3,525.95 | 7,790.13 | 4,670.92 | 3,546.77 |
| | | | | | |
| II | | | | | |
| Expenditure | | | | | |
| Cost of Consumption | 24 | 2,707.15 | 5,802.45 | 4,074.63 | 3,021.35 |
| Other Manufacturing Expenses | 25 | 45.00 | 114.92 | 63.55 | 91.16 |
| Employee Benefits Expenses | 26 | 32.11 | 100.14 | 68.86 | 76.62 |
| Finance Costs | 27 | 48.44 | 162.49 | 254.64 | 208.34 |
| Depreciation & Amortisation Expenses | 28 | 7.79 | 23.45 | 29.78 | 31.49 |
| Other Expenses | 29 | 59.51 | 218.96 | 109.21 | 78.62 |
| Total expenditure | | 2,899.98 | 6,422.41 | 4,600.67 | 3,507.58 |
| | | | | | |
| III | | | | | |
| Profit Before Exceptional and Extraordinary Items and Tax (I-II) | | 625.97 | 1,367.72 | 70.25 | 39.19 |
| | | | | | |
| IV | | | | | |
| Exceptional and extraordinary items | | 0.00 | 0.00 | 0.00 | 0.00 |
| Prior period items | | 0.00 | 0.00 | 0.00 | 0.00 |
| V | | | | | |
| Profit/(Loss) Before Tax (III-IV) | | 625.97 | 1,367.72 | 70.25 | 39.19 |
| VI | | | | | |
| Tax expense | | | | | |
| Current Tax | | 132.78 | 284.28 | 18.37 | 11.54 |
| Deferred Tax | | 0.62 | 1.14 | 0.08 | 1.09 |
| | | | | | |
| VII | | | | | |
| Profit/(Loss) for the Year (V-VI) | | 492.57 | 1,082.29 | 51.81 | 26.56 |
| | | | | | |
| VIII | | | | | |
| Earnings per Equity Share of Rs.10 Each* | | | | | |
| (1) Basic (In Rupees) | | 2.77 | 6.08 | 0.29 | 0.15 |
| (2) Diluted (In Rupees) | | 2.77 | 6.08 | 0.29 | 0.15 |

*For Calculation Earnings Per share - Shares including Bonus issue is considered as denominator

ANNEXURE – III

STANDALONE FINANCIAL STATEMENT OF CASH FLOW AS RESTATED

(Amount in ₹ Lakhs)



| | Particulars | For the period ended 31st July 2023 | For the year ended 31 March, 2023 | For the year ended 31 March, 2022 | For the year ended 31 March, 2021 |
|----------|--|---|---|---|---|
| A | CASH FLOWS FROM OPERATING ACTIVITIES: | | | | |
| | Net Profit After Tax | 492.57 | 1082.29 | 51.81 | 26.56 |
| | Adjustments for: | | | | |
| | Income Tax Expenses | 133.40 | 285.43 | 18.44 | 12.63 |
| | Depreciation | 7.79 | 23.45 | 29.78 | 31.49 |
| | Interest Expenses | 40.24 | 131.19 | 232.97 | 171.59 |
| | Interest Income | (0.12) | (2.17) | (10.45) | (8.85) |
| | Operating Profit before working capital changes: | 673.88 | 1,520.19 | 322.55 | 233.42 |
| | Adjustments for Changes in Working Capital: | | | | |
| | (Increase)/Decrease in Trade Receivables | (1,014.88) | (659.50) | (212.27) | (205.43) |
| | (Increase)/Decrease in Inventories | (598.54) | (569.98) | (148.36) | (194.05) |
| | (Increase)/Decrease in Other Current Assets | (98.37) | (14.05) | 111.85 | (41.63) |
| | (Increase)/Decrease in Other Non-Current Assets | 13.07 | 7.63 | (21.85) | (7.28) |
| | Increase/(Decrease) in Short Term Borrowings | 498.08 | (48.25) | (1,199.19) | 1,792.16 |
| | Increase/(Decrease) in Trade and Other Payables | 1,066.21 | 117.40 | 1,031.63 | 9.67 |
| | Increase/(Decrease) in Other Current Liabilities | 239.22 | 109.44 | (4.25) | (1,001.79) |
| | Cash Generated from Operations | 778.66 | 462.88 | (119.89) | 585.06 |
| | Income Taxes Paid | - | (18.37) | (11.54) | (13.60) |
| | NET CASH FROM OPERATING ACTIVITIES (A) | 778.66 | 444.51 | (131.43) | 571.46 |
| B | CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| | Interest Received | 0.12 | 2.17 | 10.45 | 8.85 |
| | Fixed Assets Purchased including CWIP | (651.32) | (10.47) | (2.65) | (0.15) |
| | (Increase)/Decrease in Non-Current Investments | (95.27) | (221.28) | - | - |
| | NET CASH USED IN INVESTING ACTIVITIES (B) | (746.47) | (229.58) | 7.80 | 8.70 |
| C | CASH FLOWS FORM FINANCING ACTIVITIES | | | | |
| | Interest paid | (40.24) | (131.19) | (232.97) | (171.59) |
| | Increase / (Decrease) in Long-Term Borrowings | 4.95 | (112.39) | 119.27 | (163.47) |
| | NET CASH USED IN FINANCING ACTIVITIES (C) | (35.29) | (243.58) | (113.70) | (335.06) |
| | Exchange difference on Realized (Loss)/Gain | - | - | - | - |
| D | NET INCREASE IN CASH AND CASH EQUIVALENT (A+B+C) | (3.10) | (28.65) | (237.33) | 245.09 |
| | Opening Cash and Cash Equivalents | 5.71 | 34.36 | 271.71 | 26.62 |
| | CLOSING CASH AND CASH EQUIVALENT | 2.61 | 5.71 | 34.38 | 271.71 |
| | RECONCILIATION OF CASH AND CASH EQUIVALENTS WITH THE BALANCE SHEET: | | | | |
| | Cash & Cash Equivalent at the End of the Period | 2.61 | 5.71 | 34.36 | 271.71 |
| | Cash & Cash Equivalent at the End of the Period | 2.61 | 5.71 | 34.36 | 271.71 |


GENERAL INFORMATION



| | | | | |
|---|---|-------------------|----------------------|-------------------|
| Registered Office | 55, SIDCO Industrial Estates, Thirumazhisai Thirumushi, Tiruvallur, Poonamallee, Tamil Nadu, India, 600124 Tel.: +91 44 26811221; Fax: N.A. E-mail: cs@supremepower.in Website: www.supremepower.in | | | |
| Date of Incorporation | June 21, 2005 | | | |
| CIN | U31200TN2005PLC056666 | | | |
| Company Category | Company Limited by Shares | | | |
| Registrar of Companies | Registrar of Companies, Chennai Shastri Bhavan, II Floor, 26, Haddows Road, Chennai - 600 006 Tel. No.: 044-28276685, 044-28272676 Email: roc.chennai@mca.gov.in Website: www.mca.gov.in | | | |
| Company Secretary and Compliance Officer | Priyanka Bansal 55, SIDCO Industrial Estates, Thirumazhisai Thirumushi, Tiruvallur, Poonamallee, Tamil Nadu, India, 600124 Tel: + 91 44 26811221; Fax: N.A. Email: cs@supremepower.in | | | |
| Chief Financial Officer | Mr. Thulasiraman Boologa Nathan 55, SIDCO Industrial Estates, Thirumazhisai Thirumushi, Tiruvallur, Poonamallee, Tamil Nadu, India, 600124 Tel: + 91 44 26811221; Fax: N.A. Email: cfo@supremepower.in | | | |
| Designated StockExchange | Emerge Platform of National Stock Exchange of India Limited Address: Exchange Plaza, Plot no. C/1, G Block, Bandra – Kurla Complex, Bandra (East), Mumbai – 400051 | | | |
| Bid/ Issue Programme | Bid/Issue Opens On: | December 21, 2023 | Bid/Issue Closes On: | December 26, 2023 |



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



DETAILS OF INTERMEDIARIES PERTAINING TO THIS ISSUE AND OUR COMPANY

| Book Running Lead Manager to the Issue | Registrar to the Issue |
|---|--|
|  |  |
| Narnolia Financial Services Limited Address: 201, 2nd Floor, Marble Arch, 236 B A.J.C Bose Road, Kolkata, West Bengal- 700020, India Tel No.: +91- 8130678743 Fax No.: Not Available Email: pankaj.passi@narnolia.com Website: www.narnolia.com Contact Person: Mr. Pankaj Pasi SEBI Registration No. INM000010791 | Purva Share Registry (India) Private Limited Address: : 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel (East) Mumbai 400011, Maharashtra, India. Tel No: +91 022 2301 8261 Fax No: N.A. Email: support@purvashare.com Website: www.purvashare.com Contact Person: Ms. Deepali Dhuri SEBI Registration No.: INR000001112 |

| Advisor to the Issue |
|--|
|  |
| AKSAN Capital Advisory Private Limited Address: Parvathy Apartment, 2nd Floor, New No:28, Old No:27, Dhamodharan Street, T Nagar, Chennai- 600017, Tamilnadu, India Tel No. +91 93602-67233 Email: aradhyaconsulting7@gmail.com Contact Person: Mr. Rajinikanth E S |

| Market Maker | Banker to the Issue & Sponsor bank |
|---|---|
|  |  |
| SHARE INDIA SECURITIES LIMITED Address: 1701-1703, Dalal Street, Commercial Cooperative Society Limited, Road 5E, Block 53, Zone 5, Gift City, Gandhi Nagar, Gujarat-382355 Tel No.: +91 9971199700 Email Id: vikas_cs@shareindia.com Website: https://www.shareindia.com/ Contact Person: Mr. Vikas Aggarwal SEBI Registration No.: INZ000178336 | Yes Bank Limited Address: YES Bank House, Off Western Express Highway, Santacruz (West), Mumbai – 400055 Tel No: + 91 – 22 – 68547260; Email: dlbtiservices@yesbank.in ; Website: www.yesbank.in Contact Person: Mr. Sachin Shinde/ Jagdish More Yes Bank Limited |

| Banker to the company | Banker to the company |
|---|--|
|  |  |
| State bank of India Address: 16555-P H Road Branch, Old Number 115, New Number 64 Ponamalle High Road, Chennai – 600084 Tel No.: 04428362363 IFSC: SBIN0016555 Website: www.onlinesbi.sbi | IndusInd Bank Address: T Nagar Branch 5/6, Old number 3/2, Swethambar Bazullah Road, T Nagar, Chennai – 600017 IFSC: INDB0000328 Website: www.indusind.com |

| Legal Advisor | Peer Review/ Statutory Auditor |
|---|--|
|  |  |
| Yana Attorneys and Legal | M/s. P P N and Company, Chartered Accountants |
| Address: 108, Medavakkam Tank Road, Kellys, Kilapuk, Chennai, Tamil Nadu 600010 | Address: No.2, IV Cross Street, Sterling Road, Nungambakkam, Chennai- 600 034 |
| Tel: +91-80159-97745 | Tel No.: +91 98844-26716 |
| Email Id: advroshanrajput@outlook.com | Email Id: ram@ppnaco.com |
| Contact Person: Adv. S. Roshan | Contact Person: Mr. Rajaram R |
| Enrollment no.: MS/102/2018 | Peer Review No.: 013578 |
| | Firm Registration No.: 013623S |

DETAILS OF BOARD OF DIRECTORS OF OUR COMPANY

| S. N. | Name | DIN | Category | Designation |
|-------|--------------------------------|----------|---------------|------------------------------|
| 1. | Mr. Vee Rajmohan | 00844400 | Executive | Chairman & Managing Director |
| 2. | Mr. K V Pradeep Kumar | 10218276 | Executive | Whole Time Director |
| 3. | Mr. Devaraja Iyer Krishna Iyer | 09290465 | Non-Executive | Non- Independent Director |
| 4. | Mr. Perumal Ravikumar | 09683689 | Non-Executive | Independent Director |
| 5. | Ms. Saimathy Soupramanien | 07657046 | Non-Executive | Independent Director |

For further details of our directors, please refer chapter titled “Our Management” beginning on page 153 of this prospectus.

Investors may contact our Company Secretary and Compliance Officer and/or the Registrar to the Offer, Purva Sharegistry (India) Private Limited and/or the BRLM, i.e., Narnolia Financial Services Limited, in case of any pre-Offer or post-Offer related problems, such as non-receipt of letters of Allotment, credit of allotted Equity Shares in the respective beneficiary account, unblocking of amount in ASBA, etc.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant SCSB to whom the Application was submitted (at ASBA Bidding Locations), giving full details such as name, address of the applicant, number of Equity Shares applied for, Application Amount blocked, ASBA Account number and the Designated Branch of the relevant SCSBs where the Application was submitted by the ASBA Applicants.

For all Issue related queries and for redressal of complaints, Applicants may also write to the BRLM. All complaints, queries or comments received by Stock Exchange/SEBI shall be forwarded to the BRLM, who shall respond to the same.

SELF-CERTIFIED SYNDICATE BANKS

The lists of banks that have been notified by SEBI to act as SCSB for the Applications Supported by Blocked Amount (ASBA) Process are provided on the website of SEBI. For details on Designated Branches of SCSBs collecting the Bid Cum Application Forms, please refer to the below mentioned SEBI link. <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>

REGISTERED BROKERS

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

REGISTRAR TO OFFER AND SHARE TRANSFER AGENTS

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

COLLECTING DEPOSITORY PARTICIPANTS

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

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

Since Narnolia Financial Services Limited is the sole Book Running Lead Manager (BRLM) to the Offer and all the responsibilities relating to co-ordination and other activities in relation to the Offer shall be performed by them.

CREDIT RATING

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

IPO GRADING

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

EXPERT OPINION

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

Our Company has received written consent dated September 23, 2023 from Peer Review Auditor namely, M/s. P P N and Company, Chartered Accountants (FRN: 13623S), and written consent dated Yana Attorneys and Legal dated September 29, 2023 (Enrollment no.: MS/102/2018) to include their name as an expert as defined under Section 2(38) of the Companies Act, read with Section 26(5) of the Companies Act 2013.

The report of the peer review auditor on Statement of Tax Benefits and report on Restated Financials, for the period ended July 31, 2023 and year financial years ended March 31, 2023, 2022 & 2021 as included in this Prospectus.

Further, Advocate S Roshan has given his legal due diligence report, as included in this Prospectus, in relation to the Outstanding Litigations and Material Developments dated December 15, 2023.

Aforementioned consents have not been withdrawn as on the date of this Prospectus. However, the term - expert shall not be construed to mean an - expert as defined under the U.S. Securities Act.

All the intermediaries including Merchant Banker has relied upon the appropriacy and authenticity of the same.

DEBENTURE TRUSTEE

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

APPRAISAL AND MONITORING AGENCY

As per regulation 262(1) of SEBI ICDR Regulations, the requirement of monitoring agency is not mandatory if the Issue size is up to Rs. 10,000 Lakh. Since the Issue size is below Rs. 10,000 Lakh, our Company has not appointed any monitoring agency for this Issue. However, as per section 177 of the Companies Act, 2013 the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the issue.

BOOK BUILDING PROCESS

The book building, in the context of the Issue, refers to the process of collection of Bids on the basis of the Draft Red Herring Prospectus/ Red Herring Prospectus within the Price Band, which will be decided by our Company, in consultation with the BRLM, and will be advertised in Financial Express, editions of the English national newspaper, Jansatta, editions of the Hindi national newspaper, and Hindu Tamil Thisai, editions in Regional newspaper where our Registered Office is located, each with wide circulation, at least two working days prior to the Bid/ Offer Opening Date. The Offer Price shall be finalized after the Bid/ Issue Closing Date. The principal parties involved in the Book Building Process are:

All Bidders (except Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. Pursuant to the UPI Circulars, Retail Individual Bidders may also participate in this Offer 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/ Offer Period and withdraw their Bids until the Bid/ Offer Closing Date.

Each Bidder by submitting a Bid in Offer, will be deemed to have acknowledged the above restrictions and the terms of the Offer.

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 judgement 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 Offer.

Bidders should note that this Offer 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, please refer to the chapters titled “Issue Structure” and “Issue Procedure” beginning on pages 323 and 290, respectively of this 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 “Offer Procedure” on page 290 of this Prospectus.

UNDERWRITING AGREEMENT

Our Company and BRLM to the issue hereby confirm that the Issue is 100% Underwritten. The Underwriting agreement is dated **December 13, 2023**. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

| Name, Address, Telephone, Fax, and Email of the Underwriter | Indicative No. of Equity Shares to Be Underwritten | Amount Underwritten (Rs. In Lakh) | % of the Total Issue Size Underwritten |
|---|--|-----------------------------------|--|
| NARNOLIA FINANCIAL SERVICES LIMITED Address: 201, 2nd Floor, Marble Arch, 236 B A.J.C Bose Road, Kolkata, West Bengal- 700020, India Telephone: +91- 8130678743 Email: pankaj.passi@narnolia.com Website: www.narnolia.com Contact Person: Mr. Pankaj Pasi SEBI Registration No. INM000010791 | 71,80,000 | 4,667.00 | 100.00% |

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

FILING OF PROSPECTUS

A soft copy of the Red Herring Prospectus and Prospectus shall be filed with SEBI through SEBI Intermediary Portal at <https://siportal.sebi.gov.in> as per Regulation 246(1) of SEBI (ICDR) Regulations. Pursuant to Regulation 246(2) of SEBI ICDR Regulations, the SEBI shall not issue any observation on the offer document. A copy of the Red Herring Prospectus and Prospectus along with the documents required to be filed under Section 26 read with Section 32 of the Companies Act will be delivered to the Registrar of Companies, Chennai, Shastri Bhavan, II Floor, 26, Haddows Road, Chennai - 600 006.

CHANGE IN THE AUDITOR DURING LAST 3 YEAR

The following changes have taken place in the Auditors during the last three years preceding the date of this Prospectus:

| Name of the Auditor | Date of Appointment | Date of Resignation | Reason for Change |
|--|---------------------|---------------------|--|
| M/s. P P N and Company, Chartered Accountants Firm Registration No. 013623S Address: No.2, IV Cross Street, Sterling Road, Nungambakkam, Chennai- 600 034 | 15-06-2023 | - | For appointment of Peer Review Auditor in compliance of ICDR Regulations, 2018 |

| | | | |
|---|------------|------------|--|
| B. Balasubramanian, Chartered Accountants Membership No. 024837 Address: Sri Krishna Apartments, 2nd Floor, New No.12, Gandhi Street, T.Nagar, Chennai - 600 017 | 28-12-2020 | 14-06-2023 | Due to Pre-Occupancy and be a Non Peer Review Auditors |
|---|------------|------------|--|

WITHDRAWAL OF THE ISSUE

Our Company in consultation with the BRLM, reserves the right not to proceed with the Issue at any time after the Issue Opening Date but before the Board meeting for Allotment. In such an event, our Company would issue a public notice in the newspapers, in which the pre-Issue advertisements were published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The BRLM, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one (1) day of receipt of such notification. Our Company shall also promptly inform NSE Emerge on which the Equity Shares were proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals from NSE Emerge, which our Company shall apply for after Allotment. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Prospectus.

DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS OFFER

Our Company and the BRLM have entered into a tripartite agreement dated September 23, 2023 with Share India Securities Limited the Market Maker for this Issue, duly registered with NSE Emerge to fulfill the obligations of Market Making:

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

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

The Market Maker(s) shall have the right to terminate said arrangement by giving a one month notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s). In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the BRLM to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations, 2018. Further, our Company and the BRLM reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our registered office from 11.00 a.m. to 5.00 p.m. on working days.

9. Risk containment measures and monitoring for Market Makers: Emerge Platform of NSE will have all margins which are applicable on the NSE Main Board viz., Mark-to-Market, Value- At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.

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

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

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

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

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

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

CAPITAL STRUCTURE

The Equity Share Capital of our Company, As on The Date of This Prospectus is Set Forth Below

(Amt in Lakhs)

| S. No. | Particulars | Aggregate Nominal Value | Aggregate Value at Offer Price |
|-------------|--|-------------------------|--------------------------------|
| A. | Authorised Share Capital | | |
| | 2,50,00,000 Equity Shares of Rs.10/- each | 2,500.00 | - |
| B. | Issued, Subscribed and Paid-Up Share Capital before the Issue | | |
| | 1,78,11,135 Equity Shares of Rs.10/- each | 1,781.11 | - |
| | Present Issue in terms of the Prospectus | | |
| | Issue of 71,80,000 Equity Shares of face value of Rs.10/- each at a premium of Rs. 65/- per share | 718.00 | 4,667.00 |
| | <i>of which:</i> | | |
| (I) | Reservation for Market Maker- 9,32,000 Equity Shares of Rs.10/- each at a price of Rs. 65/- per Equity Share reserved as Market Maker Portion. | 93.20 | 605.80 |
| (II) | Net Issue to the Public – 62,48,000 Equity Shares of Rs.10/- each at a price of Rs. 65/- per Equity Share. | 624.80 | 4,061.20 |
| C. | Of the Net Issue to the Public | | |
| I | Allocation to Qualified Institutional Buyer – 31,20,000 Equity Shares of Rs.10/- each at a price of Rs. 65 per Equity Share. | 312.00 | 2,028.00 |
| | Of which: | | |
| | (a) Anchor Investor Portion- Upto 18,70,000 Equity Shares of face value of Rs.10/- each fully paid-upfor cash at price of Rs. 65/- per Equity Share aggregating to Rs. 1,215.50 Lakhs | 187.00 | 1,215.50 |
| | (b) Net QIB Portion (assuming the anchor Investor Portion is fully subscribed)- Upto 12,50,000 Equity Shares of face value of Rs.10/- each fully paid-upfor cash at price of Rs. 65/- per Equity Share aggregating to Rs. 812.50 Lakhs | 125.00 | 812.50 |
| | <i>Of which:</i> | | |
| | (i) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)- Upto 62,500 Equity Shares of face value of Rs.10/- each fully paid-upfor cash at price of Rs. 65/- per Equity Share aggregating to Rs. 40.63 Lakhs | 6.25 | 40.63 |
| | (ii) Balance of QIB Portion for all QIBs including Mutual Funds- Upto 12,50,000 Equity Shares of face value of Rs.10/- each fully paid-upfor cash at price of Rs. 65/- per Equity Share aggregating to Rs. 812.50 Lakhs | 125.00 | 812.50 |
| II | Allocation to Retail Individual Investors – 21,88,000 Equity Shares of Rs.10/- each at a price of Rs. 65/- per Equity Share shall be available for allocation for Investors applying for a value of up to Rs. 2.00 Lakhs. | 218.80 | 1,422.20 |
| III | Allocation to Non-Institutional Investors – 9,40,000 Equity Shares of Rs.10/- each at a price of Rs. 65/- per Equity Share shall be available for allocation for Investors applying for a value of above Rs. 2.00 Lakhs. | 94.00 | 611.00 |
| D. | Issued, Subscribed and Paid-up Share Capital after the Issue | | |
| | 2,49,91,135 Equity Shares of Rs. 10/- each | 2499.11 | |
| E. | Securities Premium Account | | |
| | Before the Issue | | Nil |
| | After the Issue | | 394.90 |

The present issue has been authorized by our Board of Directors vide a resolution passed at its meeting held on September 04, 2023 and by Special Resolution passed under Section 62(1)(c) of the Companies Act, 2013 at the Annual General Meeting of our shareholders held on 29 September 2023.

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

This space has been left blank intentionally.

NOTES TO THE CAPITAL STRUCTURE

1. Details of increase in Authorised Share Capital:

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

| S. No. | Date | No. of Shares | Face Value (in Rs.) | Cumulative No. of Shares | Cumulative Authorised Share Capital (in Rs.) | Whether AGM/EGM |
|--------|-------------------|---------------|---------------------|--------------------------|--|-----------------|
| 1. | On Incorporation* | 10,000 | 100 | 10,000 | 10,00,000 | N.A. |
| 2. | January 01, 2007 | 90,000 | 100 | 1,00,000 | 1,00,00,000 | EGM |
| 3. | December 28, 2007 | 50,000 | 100 | 1,50,000 | 1,50,00,000 | EGM |
| 4. | March 27, 2008 | 1,00,000 | 100 | 2,50,000 | 2,50,00,000 | EGM |
| 5. | March 12, 2014 | 2,50,000 | 100 | 5,00,000 | 5,00,00,000 | EGM |
| 6. | July 13, 2023 | 5,00,000 | 100 | 25,00,000 | 25,00,00,000 | EGM |

*The Date of incorporation of the company is 21 June 2005.

2. History of Paid-up Equity Share Capital of our Company

| S. No. | Date of Allotment | No. of Equity Shares allotted | Face value (Rs.) | Issue Price (Rs.) | Nature of consideration | Nature of Allotment | Cumulative number of Equity Shares | Cumulative Paid-up Capital (Rs.) | Cumulative Securities premium (Rs.) |
|--------|-------------------|-------------------------------|------------------|-------------------|-------------------------|------------------------|------------------------------------|----------------------------------|-------------------------------------|
| 1. | On Incorporation | 1000 | 100 | 100 | Cash | Subscription to MOA | 1000 | 1,00,000 | Nil |
| 2. | 16-03-2007 | 34,200 | 100 | 100 | Cash | Preferential Allotment | 35,200 | 35,20,000 | Nil |
| 3. | 25-02-2008 | 88,250 | 100 | 100 | Cash | Preferential Allotment | 1,23,450 | 1,23,45,000 | Nil |
| 4. | 30-03-2008 | 51,650 | 100 | 100 | Cash | Preferential Allotment | 1,75,100 | 1,75,10,000 | Nil |
| 5. | 04-03-2013 | 48,850 | 100 | 100 | Cash | Preferential Allotment | 2,23,950 | 2,23,95,000 | Nil |
| 6. | 04-03-2013 | 25,014 | 100 | - | NA | Bonus Issue | 2,48,964 | 2,48,96,400 | Nil |
| 7. | 14.03.2014 | 82,989 | 100 | 100 | NA | Bonus Issue | 3,31,953 | 3,31,95,300 | Nil |
| 8. | 24-03-2016 | 57,350 | 100 | 100 | Cash | Preferential Allotment | 3,89,303 | 3,89,30,300 | Nil |
| 9. | 16-03-2017 | 6,500 | 100 | 100 | Cash | Preferential Allotment | 3,95,803 | 3,95,80,300 | Nil |
| 10. | 13-07-2023 | NA | 10 | NA | NA | Sub-division of shares | 39,58,030 | 3,95,80,300 | Nil |
| 11. | 04-09-2023 | 1,38,53,105 | 10 | 10 | NA | Bonus Issue | 1,78,11,135 | 17,81,11,350 | Nil |

Note:

1. Initial Subscribers to Memorandum of Association hold 1,000 Equity Shares each of face value of Rs. 10/- fully paid up as per the details given below:

| S. N. | Name of Person | No. of Shares Allotted |
|-------|--------------------|------------------------|
| 1. | Mr. Vee Rajmohan | 500 |
| 2. | Ms. Savita Pradeep | 500 |
| | Total | 1,000 |

2. The Company thereafter Issued **34,200** Equity shares on 16-03-2007, for cash consideration by way of Preferential Issue, mentioned in detail below:

| S. N. | Name | No. of Shares Issued |
|-------|--------------------|----------------------|
| 1. | Mr. Vee Rajmohan | 23,000 |
| 2. | Ms. Savita Pradeep | 5,000 |
| 3. | Mr. Murugeshan | 1,200 |
| 4. | Ms R Sasikala | 5,000 |
| | Total | 34,200 |

3. The Company thereafter made preferential allotment of **88,250** equity shares of 25-02-2008, the details of which is given below

| S. N. | Name | No. of Shares Issued |
|-------|-----------------------------|----------------------|
| 1. | Mr. Vee Rajmohan | 47,450 |
| 2. | Ms. Savita Pradeep | 19,150 |
| 3. | Mr. Murugeshan | 900 |
| 4. | Ms R Sasikala | 9,750 |
| 5. | Mr N B Subathra | 5,000 |
| 6. | Mr. Kandasamyraja Beemaraja | 6,000 |
| | Total | 88,250 |

4. The Company thereafter made preferential allotment of **51,650** equity shares of 30-03-2008, the details of which is given below:

| S. N. | Name | No. of Shares Issued |
|-------|-----------------------------------|----------------------|
| 1. | Mr. Vee Rajmohan | 3,450 |
| 2. | Ms R Sasikala | 1,200 |
| 3. | Mr. Namburi Kandasamyraja Karthik | 5,000 |
| 4. | Mr J Vivek | 42,000 |
| | Total | 51,650 |

5. The Company thereafter made preferential allotment of **48,850** equity shares of 04-03-2013, the details of which is given below:

| S. N. | Name | No. of Shares Issued |
|-------|------------------|----------------------|
| 1. | Mr. Vee Rajmohan | 11,850 |
| 2. | Mr J Vivek | 8,000 |

| | | |
|----|-----------------------|---------------|
| 3. | Mr. K V Pradeep Kumar | 9,000 |
| 4. | Mr. M S Ammaer | 20,000 |
| | Total | 48,850 |

6. The Company thereafter allotted **25,014** Equity shares as Bonus Issue in the ratio of 1:7 on 04-03-2013, the details of which is given below:

| S. N. | Name | No. of Shares Issued |
|-------|----------------------------------|----------------------|
| 1. | Mr. Vee Rajmohan | 11,343 |
| 2. | Ms. Savita Pradeep | 3,521 |
| 3. | Mr. Murugeshan | 300 |
| 4. | Ms R Sasikala | 2,279 |
| 5. | Mr Kandasamyraja Beemaraja | 857 |
| 6. | Mr Namburi Kandasamyraja Karthik | 714 |
| 7. | Mr Vivek J | 6,000 |
| | Total | 25,014 |

7. The Company thereafter allotted **82,989** Equity shares as Bonus Issue in the ratio of 1:3 on 14-03-2014, the details of which is given below:

| S. N. | Name | No. of Shares Issued |
|-------|----------------------------------|----------------------|
| 1. | Mr. Vee Rajmohan | 34,198 |
| 2. | Ms. Savita Pradeep | 9,390 |
| 3. | Mr. Murugeshan | 800 |
| 4. | Ms R Sasikala | 6,076 |
| 5. | Mr Kandasamyraja Beemaraja | 2,286 |
| 6. | Mr Namburi Kandasamyraja Karthik | 1,905 |
| 7. | Mr. K V Pradeep Kumar | 3,000 |
| 8. | Mr. M S Ammaer | 6,667 |
| 9. | Mr Vivek J | 18,667 |
| | Total | 82,989 |

8. The Company thereafter made a preferential allotment of **57,350** Equity shares on 24-03-2016, the details of which is given below:

| S. N. | Name | No. of Shares Issued |
|-------|----------------------------------|----------------------|
| 1. | Ms. Savita Pradeep | 17,000 |
| 2. | Mr. R Sasikala | 5,000 |
| 3. | Mr Namburi Kandasamyraja Karthik | 7,950 |
| 4. | Mr KV Pradeep Kumar | 27,400 |
| | Total | 57,350 |

9. The Company thereafter made preferential allotment of **6,500** equity shares of 16-03-2017, the details of which is given below:

| S. N. | Name | No. of Shares Issued |
|-------|--------------------|----------------------|
| 1. | Ms. Savita Pradeep | 500 |

| | | |
|----|-----------------------|--------------|
| 2. | Mr. K V Pradeep Kumar | 6,000 |
| | Total | 6,500 |

10. The company thereafter made subdivision of shares from Rs 100 to Rs 10 each, upon which the total paid up capital is stood at **39,58,030** equity shares of Rs 10/- each on 13-07-2023
11. The Company thereafter allotted **1,38,53,105** Equity shares as Bonus Issue in the ratio of 35:10 on 04-09-2023, the details of which is given below:

| S. N. | Name of Person | No. of Shares Allotted |
|-------|---|------------------------|
| 1. | Mr. Vee Rajmohan | 60,18,390 |
| 2. | Ms. Savita Pradeep | 20,47,535 |
| 3. | Mrs. R Sasikala | 7,69,055 |
| 4. | Mr. Kandasamyraja Beemaraja | 4,43,240 |
| 5. | Mr. Namburi Kandasamyraja Karthik | 5,44,915 |
| 6. | Mr. K V Pradeep Kumar | 21,59,815 |
| 7. | Rajasthan Global Securities Private Ltd | 18,43,905 |
| 8. | Ms. Savitha | 26,250 |
| | Total | 1,38,53,105 |

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3. Shareholding of the Promoters of our Company

As on the date of this Prospectus, our Promoters – **Mr. Vee Rajmohan** and **Mr. K V Pradeep Kumar** holds aggregating to **1,28,64,835** Equity Shares representing **72.23%** of the pre-issue paid up share capital of our Company.

Details of build-up of shareholding of the Promoters

| Date of Allotment / acquisition / transaction and when made fully paid up | Nature (Allotment/ transfer) | Number of Equity Shares | Face Value per Equity Share (in Rs.) | Issue/ Transfer price per Equity Share (in Rs.) | Consideration (cash/ other than cash) | Name of Transferor / Transferee | % of pre issue capital of Cumulative Shares |
|---|------------------------------|-------------------------|--------------------------------------|---|---------------------------------------|-------------------------------------|---|
| Mr. Vee Rajmohan | | | | | | | |
| 21 June, 2005 | Incorporation | 500 | 100 | 100 | Cash | N.A. | 0.00% |
| 16 March, 2007 | Preferential Allotment | 23,000 | 100 | 100 | Cash | N.A. | 0.13% |
| 25 February, 2008 | Preferential Allotment | 47,450 | 100 | 100 | Cash | N.A. | 0.27% |
| 30 March, 2008 | Preferential Allotment | 3,450 | 100 | 100 | Cash | N.A. | 0.02% |
| 4 March, 2013 | Preferential Allotment | 11,850 | 100 | 100 | Cash | N.A. | 0.07% |
| 4 March, 2013 | Bonus Issue | 11,343 | 100 | NA | Other than Cash | N.A. | 0.06% |
| 14 March, 2014 | Bonus Issue | 34,198 | 100 | NA | Other than Cash | N.A. | 0.19% |
| 31 March, 2022 | Transfer | 3,200 | 100 | 100 | Cash | Transferor: Mr. Murugesan | 0.02% |
| 31 March, 2022 | Transfer | 5,000 | 100 | 100 | Cash | Transferor: Mr. N B Subhadra | 0.03% |
| 31 March, 2022 | Transfer | 15,759 | 100 | 100 | Cash | Transferor: M S Ammaer | 0.09% |
| 30 April, 2022 | Transfer | 16,204 | 100 | 240.68 | Cash | Transferor: Mr. Vivek J | 0.09% |
| 13 July, 2023 | Subdivision of shares | 15,47,586 | 10 | NA | Other than Cash | N.A. | 8.69% |
| 4 September, 2023 | Bonus | 60,18,390 | 10 | NA | Other than Cash | N.A. | 33.79% |
| Total | | 77,37,930 | | | | | 43.44% |
| Mr. K V Pradeep Kumar | | | | | | | |
| March 04, 2013 | Preferential allotment | 9,000 | 100 | 100 | Cash | N.A. | 0.05% |
| March 14, 2014 | Bonus | 3,000 | 100 | NA | Other than Cash | N.A. | 0.02% |
| March 24, 2016 | Preferential allotment | 27,400 | 100 | 100 | Cash | N.A. | 0.15% |
| March 16, 2017 | Preferential allotment | 6,000 | 100 | 100 | Cash | N.A. | 0.03% |
| March 31, 2022 | Transfer from Vivek J | 5,382 | 100 | 240.68 | Cash | Transferor: Vivek J | 0.03% |
| April 30, 2022 | Transfer from Vivek J | 10,927 | 100 | 240.68 | Cash | Transferor: Vivek J | 0.06% |
| July 13, 2023 | Sub-division of Shares | 5,55,381 | 10 | 10 | Other than Cash | N.A. | 3.12% |
| September 04, 2023 | Bonus | 21,59,815 | 10 | 10 | Other than Cash | N.A. | 12.13% |
| December 01, 2023 | Transfer | 23,50,000 | 10 | Nil | Other than Cash | Transferee: Savita Pradeep | 13.19% |
| Total | | 51,26,905 | | | | | 28.78% |

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

4. Our shareholding pattern

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

| Category Code | Category of shareholder | No. Of shareholder | No. of fully paid-up equity Shares Held | No. of Partly paid up equity shares held | No. of shares underlying Depository Receipts | Total nos. shares held | Shareholding as a % of total no. of shares (calculated as per SCR R, 1957) As a % of (A+B+C2) | Number of Voting Rights held in each class of securities* | | | | No. of Shares Under lying Outstanding convertible securities (including Warrants) | Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share Capital) As a % of (A+B+C2) | Number of locked in Shares | | Number of Shares pledged or otherwise encumbered | | Number of shares held in dematerialized form |
|---------------|--------------------------------|--------------------|---|--|--|------------------------|---|---|---------|-------------|-------------------------|---|---|----------------------------|---------------------------------|--|---------------------------------|--|
| | | | | | | | | No. of Voting Rights | | | Total as a % of (A+B+C) | | | No. (a) | As a % of total shares held (B) | No. (a) | As a % of total shares held (B) | |
| | | | | | | | | Class X | Class Y | Total | | | | | | | | |
| I | II | III | IV | V | VI | VII= IV+ V +VI | VIII | IX | | | | X | XI=VII +X | XII | | XIII | | XIV |
| (A) | Promoters and Promoter Group | 4 | 1,41,36,165 | - | - | 1,41,36,165 | 79.37 | 1,41,36,165 | - | 1,41,36,165 | 79.37 | - | 79.37 | - | - | - | - | 1,41,36,165 |
| (B) | Public | 4 | 36,74,970 | - | - | 36,74,970 | 20.63 | - | - | 36,74,970 | 20.63 | - | 20.63 | - | - | - | - | 36,74,970 |
| I | Non Promoter- Non Public | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (1) | Shares underlying DRs | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (2) | Shares held by Employee Trusts | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Total | 8 | 1,78,11,135 | - | - | 1,78,11,135 | 100.00 | - | - | - | 100.00 | - | 100.00 | - | - | - | - | 100.00 |

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

I. Shareholding Pattern of Promoters and Promoter Group

| # | Category & name of shareholder(I) | PAN(II) | No. of share holders (III) | No. of fully paid up equity shares held (IV) | No. of Partly paid up equity shares held (V) | No. of share under lying Depository (VI) | Total nos. shares held (VII) | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2) | Number of Voting Rights held in each class of securities | | | | No. of Shares Underlying Outstanding convertible securities (including warrants) (X) | Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share Capital) As a % of (A+B+C2) | Number of locked in Shares | | Number of Shares pledged or otherwise encumbered | | Number of shares held in dematerialized form |
|--|-----------------------------------|---------|----------------------------|--|--|--|------------------------------|--|--|-----------|--------------------|-------------------------|--|---|----------------------------|---------------------------------|--|---------------------------------|--|
| | | | | | | | | | No. of Voting Rights | | | Total as a % of (A+B+C) | | | No. (a) | As a % of total shares held (B) | No. (a) | As a % of total shares held (B) | |
| | | | | | | | | | Class : X | Class : Y | Total | | | | | | | | |
| | (I) | (II) | (III) | (IV) | (V) | (VI) | (IV)+(V)+(VI) | (VIII) | (IX) | | | | (X) | (XI)=(V)+(X) | (XII) | | (XIII) | | (XIV) |
| (1) Indian | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (a) Individual/HUF | | | 4 | | | | | | | | | | | | | | | | |
| 1 | Vee Rajmohan | | 1 | 77,37,930 | - | - | 77,37,930 | 43.44 | 77,37,930 | - | 77,37,930 | 43.44 | - | 43.44 | - | - | - | - | 77,37,930 |
| 2 | K V Pradeep Kumar | | 1 | 51,26,905 | - | - | 51,26,905 | 28.78 | 51,26,905 | - | 51,26,905 | 28.78 | - | 28.78 | - | - | - | - | 51,26,905 |
| 3 | R Sasikala | | 1 | 9,88,785 | - | - | 9,88,785 | 5.55 | 9,88,785 | - | 9,88,785 | 5.55 | - | 5.55 | - | - | - | - | 9,88,785 |
| 4 | Savita Pradeep | | 1 | 2,82,545 | - | - | 2,82,545 | 1.59 | 2,82,545 | - | 2,82,545 | 1.59 | - | 1.59 | - | - | - | - | 2,82,545 |
| (b) Cen. Govt./ State Government(s) | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (c) Financial Institutions/Banks | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (d) Any other(Body Corporate) | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Sub- total (A) (1) | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (2) Foreign | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (a) Individual (NRI/ Foreign Individual) | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (b) Government | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (c) Institutions | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (d) Foreign Portfolio Investor | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (e) Any Other(specify) | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Sub- Total(A) (2) | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Shareholding of Promoters and Promoter Group (A)=(A)(1) +(A)(2) | | | 4 | 1,41,36,165 | - | - | 1,41,36,165 | 79.37 | 1,41,36,165 | - | 1,41,36,165 | 79.37 | - | 79.37 | - | - | - | - | 1,41,36,165 |

II. Shareholding Pattern of the Public shareholder

| # | Category & name of shareholder | PAN | No. of share holders | No. of full y paid up equity shares held | No. of Partly paid up equity shares held | No. of shares underlying Depository Receipts | Total nos. shares held (VII) | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2) | Number of Voting Rights held in each class of securities | | | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share Capital) As a % of (A+B+C 2) | Number of Shares locked in Shares | | Number of Shares pledged or otherwise encumbered | | Number of shares held in dematerialized form | |
|-----|--|------|----------------------|--|--|--|------------------------------|--|--|-----------|------------------|--|---|-----------------------------------|---------|--|---------|--|---------------------------------|
| | | | | | | | | | No. of Voting Rights | | | | | Total as a % of (A+B+C) | No. (a) | As a % of total shares held (B) | No. (a) | | As a % of total shares held (B) |
| | | | | | | | | | Class : X | Class : Y | Total | | | | | | | | |
| | (I) | (II) | (III) | (IV) | (V) | (VI) | (IV)+(V)+(VI) | (VIII) | (IX) | | | (X) | (XI)=(V II)+(X) | (XII) | | (XIII) | | (XIV) | |
| (1) | Institutions | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| (a) | Mutual Funds | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| (b) | Venture Capital Funds | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| (c) | Alternate Investment Funds | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| (d) | Foreign Venture Capital Investors | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| (e) | Foreign Portfolio Investor | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| (f) | Financial Institutions/ Banks | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| (g) | Insurance Companies | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| (h) | Provident Funds/ Pension Funds | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| (i) | Any other (specify) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| | Sub-Total (B)(1) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| (2) | Central Government/State Government (s)/ President of India | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| | Sub-Total (B) (2) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| (3) | Non- Institutions | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| | Individuals- | - | 4 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| (a) | i. Individual shareholders holding nominal share capital up to Rs. 2 lakh. | - | 1 | 33,750 | - | - | 33,750 | 0.19 | 33,750 | - | 33,750 | 0.19 | - | 0.19 | - | - | - | - | 33,750 |
| | ii. Individual shareholders holding nominal share capital in excess of Rs.2 lakh | - | 2 | 12,70,485 | - | - | 12,70,485 | 7.13 | 12,70,485 | - | 12,70,485 | 7.13 | - | 7.13 | - | - | - | - | 12,70,485 |
| (b) | NBFCs registered with RBI | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (c) | Employee Trusts | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (d) | Overseas Depositories (holding DRs) (balancing figure) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (e) | Any Other (Body Corporate) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 1. | Rajasthan Global Securities Private Ltd | - | 1 | 23,70,735 | - | - | 23,70,735 | 13.31 | 23,70,735 | - | 23,70,735 | 13.31 | - | 13.31 | - | - | - | - | 23,70,735 |
| | Sub-Total (B)(3) | - | - | 36,74,970 | - | - | 36,74,970 | 20.63 | 36,74,970 | - | 36,74,970 | 20.63 | - | 20.63 | - | - | - | - | 36,74,970 |
| | Total Public Shareholding (B)-(B)(1)+(B)(2)+(B)(3) | - | 4 | 36,74,970 | - | - | 36,74,970 | 20.63 | 36,74,970 | - | 36,74,970 | 20.63 | - | 20.63 | - | - | - | - | 36,74,970 |

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

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

Note:

In terms of SEBI circular bearing No. CIR/ISD/3/2011 dated June 17, 2011 and SEBI circular bearing No. SEBI/CIR/ISD/ 05 /2011, dated September 30, 2011, the Equity Shares held by the Promoters/Promoters Group Entities and 50% of the Equity Shares held by the public shareholders, shall be dematerialized. Presently, all the existing equity shares of the Company are in dematerialized form.

PAN of the Shareholders will be provided by our Company prior to Listing of Equity Share on the Stock Exchange.

Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI (LODR) Regulations, 2015, one day prior to the listing of the equity shares. The shareholding pattern will be uploaded on the website of NSE Emerge before commencement of trading of such Equity Shares.

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

| # | Name of shareholder | Pre issue | | Post issue | |
|----------------------------|---|----------------------|--------------------------|----------------------|--------------------------|
| | | No. of equity shares | As a % of Issued Capital | No. of equity shares | As a % of Issued Capital |
| Promoters | | | | | |
| 1 | Mr. Vee Rajmohan | 77,37,930 | 43.44% | 77,37,930 | 31.50% |
| 2 | K V Pradeep Kumar | 51,26,905 | 28.78% | 51,26,905 | 20.87% |
| Total – A | | 1,28,64,835 | 72.23% | 1,28,64,835 | 52.37% |
| Promoter Group | | | | | |
| 3 | Ms. R Sasikala | 9,88,785 | 5.55% | 9,88,785 | 4.02% |
| 4 | Ms. Savita Pradeep | 2,82,545 | 1.59% | 2,82,545 | 1.15% |
| Total – B | | 12,71,330 | 7.14% | 12,71,330 | 5.17% |
| Public | | | | | |
| 5 | Mr. Kandasamyraja Beemaraja | 5,69,880 | 3.20% | 5,69,880 | 2.32% |
| 6 | Mr. Namburi Kandasamyraja Karthik | 7,00,605 | 3.93% | 7,00,605 | 2.85% |
| 7 | Rajasthan Global Securities Private Ltd | 23,70,735 | 13.31% | 23,70,735 | 9.65% |
| 8 | Ms. Savitha | 33,750 | 0.19% | 33,750 | 0.14% |
| 9 | IPO | - | - | 71,80,000 | 28.73% |
| Total-C | | 36,74,970 | 20.63% | 1,08,54,970 | 43.44% |
| Grand Total (A+B+C) | | 1,78,11,135 | 100.00% | 2,49,91,135 | 100.00% |

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

| Name of the Promoter | No. of Shares held | Average cost of Acquisition (in Rs.) |
|-----------------------|--------------------|--------------------------------------|
| Mr. Vee Rajmohan | 77,37,930 | 1.93 |
| Mr. K V Pradeep Kumar | 51,26,905 | 1.59 |

As certified by auditor M/s P P N and Company, Chartered Accountants, dated December 08, 2023

8. Details of Major Shareholders:

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

| S. No. | Name of shareholders | No. of Equity Shares held* | % of Paid up Capital** |
|--------|---|----------------------------|------------------------|
| 1 | Mr. Vee Rajmohan | 77,37,930 | 43.44% |
| 2 | Ms. Savita Pradeep | 2,82,545 | 1.59% |
| 3 | Ms. R Sasikala | 9,88,785 | 5.55% |
| 4 | Mr. Kandasamyraja Beemaraja | 5,69,880 | 3.20% |
| 5 | Mr. Namburi Kandasamyraja Karthik | 7,00,605 | 3.93% |
| 6 | Mr. K V Pradeep Kumar | 51,26,905 | 28.78% |
| 7 | Rajasthan Global Securities Private Ltd | 23,70,735 | 13.31% |
| 8 | Ms. Savitha | 33,750 | 0.19% |

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

| S. No. | Name of shareholders | No. of Equity Shares held* | % of Paid up Capital** |
|--------|---|----------------------------|------------------------|
| 1 | Mr. Vee Rajmohan | 77,37,930 | 43.44% |
| 2 | Ms. Savita Pradeep | 2,82,545 | 1.59% |
| 3 | Ms. R Sasikala | 9,88,785 | 5.55% |
| 4 | Mr. Kandasamyraja Beemaraja | 5,69,880 | 3.20% |
| 5 | Mr. Namburi Kandasamyraja Karthik | 7,00,605 | 3.93% |
| 6 | Mr. K V Pradeep Kumar | 51,26,905 | 28.78% |
| 7 | Rajasthan Global Securities Private Ltd | 23,70,735 | 13.31% |
| 8 | Ms. Savitha | 33,750 | 0.19% |

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

| S. No. | Name of shareholders | No. of Equity Shares held* | % of Paid up Capital** |
|--------|-----------------------------------|----------------------------|------------------------|
| 1. | Mr. Vee Rajmohan | 1,71,954 | 43.44% |
| 2. | Ms. Savita Pradeep | 77,202 | 19.51% |
| 3. | Mr. K V Pradeep Kumar | 61,709 | 15.59% |
| 4. | Ms R Sasikala | 56,705 | 14.33% |
| 5. | Mr. Namburi Kandasamyraja Karthik | 15,569 | 3.93% |
| 6. | Mr. Kandasamyraja Beemaraja | 12,664 | 3.20% |

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

| S. No. | Name of shareholders# | No. of Equity Shares held* | % of Paid up Capital** |
|--------|-----------------------------------|----------------------------|------------------------|
| 1. | Mr. Vee Rajmohan | 1,31,791 | 33.30% |
| 2. | Mr Vivek J | 74,667 | 18.86% |
| 3. | Ms. Savita Pradeep | 55,061 | 13.91% |
| 4. | Mr. K V Pradeep Kumar | 45,400 | 11.47% |
| 5. | Ms R Sasikala | 29,305 | 7.40% |
| 6. | M S Ammaer | 26,667 | 6.74% |
| 7. | Mr. Namburi Kandasamyraja Karthik | 15,569 | 3.93% |
| 8. | Mr. Kandasamyraja Beemaraja | 9,143 | 2.31% |
| 9. | Mr. N B Subathra | 5,000 | 1.26% |

*The Company has not issued any convertible instruments like warrants, debentures etc. since its incorporation and there are no outstanding convertible instruments as on date of this Prospectus.

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

9. Our Company has not issued any Equity Shares out of revaluation reserve or reserves without accrual of cash resources.
10. Our Company has not issued any Equity **Shares** during a period of one year preceding the date of this

Prospectus at a price lower than the Issue Price except the following:

| S. No | Name of Allottees | No. of Shares Allotted | Face Value (Rs.) | Issue Price (Rs.) | Date of Allotment | Reason for Allotment | Benefit occurred to Issuer |
|--------------|---|------------------------|------------------|-------------------|-------------------|----------------------|----------------------------|
| 1. | Mr. Vee Rajmohan | 60,18,390 | 10 | N.A. | September 4, 2023 | Bonus Issue | Capitalization of Reserves |
| 2. | Ms. Savita Pradeep | 20,47,535 | 10 | N.A. | September 4, 2023 | Bonus Issue | |
| 3. | Mrs. R Sasikala | 7,69,055 | 10 | N.A. | September 4, 2023 | Bonus Issue | |
| 4. | Mr. Kandasamyraja Beemaraja | 4,43,240 | 10 | N.A. | September 4, 2023 | Bonus Issue | |
| 5. | Mr. Namburi Kandasamyraja Karthik | 5,44,915 | 10 | N.A. | September 4, 2023 | Bonus Issue | |
| 6. | Mr. K V Pradeep Kumar | 21,59,815 | 10 | N.A. | September 4, 2023 | Bonus Issue | |
| 7. | Rajasthan Global Securities Private Ltd | 18,43,905 | 10 | N.A. | September 4, 2023 | Bonus Issue | |
| 8. | Ms. Savitha | 26,250 | 10 | N.A. | September 4, 2023 | Bonus Issue | |
| Total | | 1,38,53,105 | | | | | |

11. Except as disclosed in this Prospectus, our Company presently does not have any intention or proposal to alter its capital structure for a period of six (6) months from the date of opening of the Issue, by way of spilt/consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise. However, during such period or a later date, it may issue Equity Shares or securities linked to Equity Shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.
12. We have 8 shareholders as on the date of filing of this Prospectus.
13. As on the date of this Prospectus, our Promoters and Promoters' Group holds a total of 1,41,36,165 Equity Shares representing 79.37% of the pre-issue paid up share capital of our Company.
14. None of our Promoters, their relatives and associates, persons in Promoter Group or the directors of the Company which is a promoter of the Company and/or the Directors of the Company have purchased or sold any securities of our Company during the past six months immediately preceding the date of filing the Draft Red Herring Prospectus.
15. The members of the Promoters Group, our directors and the relatives of our Directors have not financed the purchase by any other person of securities of our Company, other than in the normal course of the business of the financing entity, during the six months immediately preceding the date of filing this Prospectus.
16. **Details of Promoter's Contribution locked in for 3 years:**

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

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

In terms of clause (a) of Regulation 238 of the SEBI (ICDR) Regulations, 2018, *Minimum Promoters Contribution as mentioned above shall be locked-in for a period of 3 years from the date of commencement of commercial production or date of allotment in the Initial Public Offer, whichever is later.*

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

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

The Minimum Promoters Contribution has been brought into to the extent of not less than the specified minimum lot and has been contributed by the persons defined as Promoters under the SEBI (ICDR) Regulations, 2018.

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

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

| Name of Promoter | Date of Transaction and when made fully paid-up | Nature of Transaction | No. of Equity Shares | Face Value (Rs.) | Issue/ Acquisition Price per Equity Share (Rs.) | Percentage of post-Offer paid-up capital (%) | Lock in Period |
|------------------|---|------------------------|----------------------|------------------|---|--|----------------|
| Vee Rajmohan | Monday, 4 September, 2023 | Bonus Issue | 25,54,000 | 10 | Nil | 10.22% | 3 years |
| KV Pradeep | Monday, 4 September, 2023 | Bonus Issue | 21,00,000 | 10 | Nil | 8.40% | 3 years |
| KV Pradeep | Thursday, 24 March, 2016 | Preferential Allotment | 2,74,000 | 10 | 10* | 1.10% | 3 years |
| KV Pradeep | Thursday, 16 March, 2017 | Preferential Allotment | 60,000 | 10 | 10* | 0.24% | 3 years |
| KV Pradeep | Monday, 4 March, 2013 | Preferential Allotment | 12,000 | 10 | 10* | 0.05% | 3 years |

*Price per Equity Share taken after sub-division of shares from Rs. 100/- to Rs. 10/-.

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

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

- Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalization of intangible assets;

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

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

Equity Shares locked-in for one year.

In addition to above Equity Shares that are locked-in for three years as the minimum Promoters’ contribution, the promoters and public pre-issue shareholding of Equity Share capital of our Company, *i.e.* 1,99,91,135 Equity Shares shall be locked in for a period of one year from the date of Allotment in the Public Issue. Further, such lock-in of Equity Shares would be created as per the bye laws of the Depositories.

Pledge of Locked in Equity Shares:

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

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

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

Transferability of Locked in Equity Shares:

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

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

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

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

| S. No | Name of Allottees | No. of Shares Allotted | Face Value (Rs.) | Issue Price (Rs.) | Date of Allotment | Reason for Allotment | Benefit occurred to Issuer |
|--------------|---|------------------------|------------------|-------------------|-------------------|----------------------|----------------------------|
| 1. | Mr. Vee Rajmohan | 60,18,390 | 10 | N.A. | September 4, 2023 | Bonus Issue | Capitalization of Reserves |
| 2. | Ms. Savita Pradeep | 20,47,535 | 10 | N.A. | September 4, 2023 | Bonus Issue | |
| 3. | Mrs. R Sasikala | 7,69,055 | 10 | N.A. | September 4, 2023 | Bonus Issue | |
| 4. | Mr. Kandasamyraja Beemaraja | 4,43,240 | 10 | N.A. | September 4, 2023 | Bonus Issue | |
| 5. | Mr. Namburi Kandasamyraja Karthik | 5,44,915 | 10 | N.A. | September 4, 2023 | Bonus Issue | |
| 6. | Mr. K V Pradeep Kumar | 21,59,815 | 10 | N.A. | September 4, 2023 | Bonus Issue | |
| 7. | Rajasthan Global Securities Private Ltd | 18,43,905 | 10 | N.A. | September 4, 2023 | Bonus Issue | |
| 8. | Ms. Savitha | 26,250 | 10 | N.A. | September 4, 2023 | Bonus Issue | |
| 9. | Mr. Vee Rajmohan | 34,198 | 10 | N.A. | March 14, 2014 | Bonus Issue | |
| 10. | Ms. Savita Pradeep | 9,390 | 10 | N.A. | March 14, 2014 | Bonus Issue | |
| 11. | Mr. Murugesan | 800 | 10 | N.A. | March 14, 2014 | Bonus Issue | |
| 12. | Ms R Sasikala | 6,076 | 10 | N.A. | March 14, 2014 | Bonus Issue | |
| 13. | Mr. Kandasamyraja Beemaraja | 2,286 | 10 | N.A. | March 14, 2014 | Bonus Issue | |
| 14. | Mr. Namburi Kandasamyraja Karthik | 1,905 | 10 | N.A. | March 14, 2014 | Bonus Issue | |
| 15. | Mr. K V Pradeep Kumar | 3,000 | 10 | N.A. | March 14, 2014 | Bonus Issue | |
| 16. | Mr. M S Ammaer | 6,667 | 10 | N.A. | March 14, 2014 | Bonus Issue | |
| 17. | Mr Vivek J | 18,667 | 10 | N.A. | March 14, 2014 | Bonus Issue | |
| 18. | Mr. Vee Rajmohan | 11,343 | 10 | N.A. | March 4, 2013 | Bonus Issue | |
| 19. | Ms. Savita Pradeep | 3,521 | 10 | N.A. | March 4, 2013 | Bonus Issue | |
| 20. | Mr. Murugesan | 300 | 10 | N.A. | March 4, 2013 | Bonus Issue | |
| 21. | Ms R Sasikala | 2,279 | 10 | N.A. | March 4, 2013 | Bonus Issue | |
| 22. | Mr. Kandasamyraja Beemaraja | 857 | 10 | N.A. | March 4, 2013 | Bonus Issue | |
| 23. | Mr. Namburi Kandasamyraja Karthik | 714 | 10 | N.A. | March 4, 2013 | Bonus Issue | |
| 24. | Mr Vivek J | 6,000 | 10 | N.A. | March 4, 2013 | Bonus Issue | |
| Total | | 1,39,61,108 | | | | | |

19. Our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 230 to 234 of the Companies Act, 2013.
20. Our Company has not re-valued its assets since inception and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

21. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees, and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed issue. As and when options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.
22. There are no safety net arrangements for this public Offer.
23. As on the date of filing of this Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other financial instruments into our Equity Shares.
24. As per Regulation 268(2) of SEBI (ICDR) Regulations, 2018, an over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off while finalizing the basis of allotment to the nearest integer during finalizing the allotment, subject to minimum allotment lot. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock-in shall be suitably increased to ensure that 20% of the post issue paid-up capital is locked-in.
25. All the Equity Shares of our Company are fully paid up as on the date of this Prospectus. Further, since the entire money in respect of the Offer is being called on application, all the successful applicants will be allotted fully paid-up equity shares.
26. As per RBI regulations, OCBs are not allowed to participate in this Issue.
27. There is no Buyback, stand by, or similar arrangement by our Company/Promoters/Directors/BRLM for purchase of Equity Shares issued / offered through this Prospectus.
28. As on the date of this Prospectus, none of the shares held by our Promoters/ Promoter Group are pledged with any financial institutions or banks or any third party as security for repayment of loans.
29. Investors may note that in case of over-subscription, the allocation in the Issue shall be as per the requirements of Regulation 253 of SEBI (ICDR) Regulations, as amended from time to time.
30. Under subscription, if any, in any category, shall be met with spill-over from any other category or combination of categories at the discretion of our Company, in consultation with the BRLM and NSE.
31. The Issue is being made through Book Building Method.
32. BRLM to the Issue viz. Narnolia Financial Services Limited and its associates do not hold any Equity Shares of our Company.
33. Our Company has not raised any bridge loan against the proceeds of this Issue.
34. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
35. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
36. An Applicant cannot make an application for more than the number of Equity Shares being Issued/Offered through this Prospectus, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.

37. No payment, direct or indirect in the nature of discount, commission, and allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Offer.
38. Our Promoters and the members of our Promoter Group will not participate in this Issue.
39. Our Company has not made any public issue since its incorporation.
40. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing the Red Herring Prospectus and the Offer Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.
41. For the details of transactions by our Company with our Promoter Group, Group Companies during the period ended 31 July 2023 and last three years ended on March 31, 2023, March 31, 2022 & March 31, 2021, Fiscals, please refer to paragraph titled *-Related Party Transaction* in the chapter titled *“Financial Information”* beginning on page number 182 of this Prospectus.

None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the chapter titled *“Our Management”* beginning on page number 153 of this Prospectus.

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OBJECTS OF THE ISSUE

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

The objects of the Issue are:-

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

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

Fund Requirements

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

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

| S. N. | Particulars | Amount (In Rs. Lakh) |
|-------|-----------------------------|----------------------|
| 1. | Capital Expenditure | 2,413.30 |
| 2. | Working Capital Requirement | 1,105.00 |
| 3. | General Corporate Purposes | 873.70 |
| 4. | Issue Expenses# | 275.00 |
| | Total | 4.667.00 |

#As on December 15, 2023, vide certificate dated December 15, 2023, from P P N and Company, the Company has incurred a sum of Rs. 67.05 lakhs towards issue expenses.

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

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

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

We may have to revise our fund requirements and deployment as a result of changes in commercial and other external factors, which may not be within the control of our management. This may entail rescheduling, revising or

cancelling the fund requirements and increasing or decreasing the fund requirements for a particular purpose from its fund requirements mentioned below, at the discretion of our management. In case of any shortfall or cost overruns, we intend to meet our estimated expenditure from internal accruals and/or debt. In case of any such re-scheduling, it shall be made by compliance of the relevant provisions of the Companies Act, 2013.

Details of Utilization of Issue Proceeds

Details of Utilization of Issue Proceeds

1. Capital Expenditure

Our Company intends to deploy Net Proceeds aggregating to Rs. 2,413.30 Lakhs towards Capital expenditure, which includes machinery for manufacturing of transformers and for setting up of second factory in the land owned by Company, details of which are as follows:

| S. No. | Address (Survey No(s). of Kannur Village Thiruvallur Taluk) | Extent (in cents) |
|---------------|--|--------------------------|
| 1 | 235/6A | 97 (out of 99 cents) |
| 2 | 235/8A | 57 |
| 3 | 235/8B | 30 (out of 51 cents) |
| 4 | 235/7 | 52 |
| 5 | 235/9 | 87 ½ (out of 98 cents) |
| 6 | 234/10 | 62 |
| 7 | 234/11 | 44 |
| 8 | 234/12A | 39 |
| 9 | 234/13 | 126 ½ (out of 144 cents) |
| Total | | 5 Acres 95 Cents |

Purpose of setting up second factory

The intended purpose of utilizing the proceeds from the IPO is to fund this capital expenditure, covering the setup of the new factory and the acquisition of plant and machinery required for manufacturing transformers with capacities up to 160 MVA. The company has been engaged in supplying transformers to government through tenders. In order to meet eligibility criterion and supplying transformers upto 160 MVA to government, we propose to set up a new factory. This strategic move aligns with the company's objective of diversifying its product range, enhancing eligibility for government tenders for supplying transformers upto 160 MVA, and ultimately driving growth. As of now, the company's manufacturing capabilities enables it to secure order for transformers with a capacity of up to 25 MVA.

Therefore, the allocation of IPO proceeds to establish a second factory is a strategic initiative to position the company for increased success in the market.

Utilities for functioning of second factory

The second factory's water needs for both human consumption and other purposes will be satisfied by a borewell, while the electricity supply will be sourced from the Tamil Nadu Generation and Distribution Corporation (TANGEDCO).

Description and Purpose of Machinery

We are primarily into the business of manufacturing of various transformers that cater various industries. For manufacturing of these transformers we need to set up the manufacturing plant which consists of various machinery as listed below. We have acquired a land as mentioned on page no. 114 in the Chapter “Our Business” where we intend to set up the manufacturing plant.

1. Building construction

It includes basic infrastructure for the setting up of plant for an area of 40,000 sq. ft. including but not limited to road, Sump, Flooring, Fire fighting System.

2. Impulse Voltage Test System

Impulse voltage is similar to Lightning strike, which creates a very high voltage in the atmosphere during thunder strikes. When transformers are installed outdoor in open area, they are likely to be exposed to such lightning high voltage strikes which have to be withstood by transformer without damage to the internal windings. Such high voltage conditions are stimulated by the impulse voltage systems and imposed on the transformer. The winding and insulation systems are monitored for proper withstanding of such high voltage conditions.

3. Winding Machines

Winding machines in transformer manufacturing are specialized pieces of equipment designed to wind the copper or aluminum conductors (windings) onto the core of a transformer. These machines are crucial for efficiently and accurately creating the primary and secondary windings of a transformer. The fundamental elements of a transformer encompass a magnetic core and copper windings serving as electrical conductors. Copper is sourced in the form of appropriately dimensioned strips, which are insulated with paper. These insulated copper strips are then arranged in a cylindrical configuration around the core. The process of winding these copper strips into a continuous coil is accomplished using coil winding machines. The internal diameter of each copper coil may vary, contingent upon the transformer's specific rating and design.

4. Hydraulic S Bend Tool

Hydraulic bending tools are used for various purposes related to the fabrication and assembly of transformer components. Transformer cores are often made of laminated sheets of electrical steel. Hydraulic bending tools can be used to shape and bend these steel sheets to create the core's desired geometry. Additionally, they may be used to shape and bend the copper or aluminum conductors used for the windings.

5. Former

Cylindrical formers with variable diameters are mounted on the winding machines and copper coil are wound on the formers as required. These winding machines are to be operated at low RPM and to be powerful to wind the copper strips.

6. VPD, Coil Drying System, Drying Oven

In the realm of transformers, the electrical insulation system primarily relies on paper and paper-based boards. During the manufacturing process of coils and the assembly of transformers, these paper insulations tend to absorb moisture from the ambient air, resulting in an increase in their water content due to atmospheric humidity. To ensure the reliable and long-lasting operation of transformers, it is imperative to reduce this water content in the insulation

to extremely low levels.

To achieve this, we will employ Vacuum Pressure Drying (VPD) systems. The VPD system consists of a chamber equipped with atmospheric control mechanisms. Within this chamber, coils and fully assembled transformers are carefully placed. The VPD system operates by creating a controlled vacuum and pressure environment inside the chamber. This controlled atmosphere leads to the generation of vapor, which subsequently facilitates the removal of humidity and excess moisture content from the coils and other insulation materials to the desired levels.

7. Diesel Generator

It is a type of electrical power generation device that uses a diesel engine to convert diesel fuel into electrical energy. It is designed to provide electricity in situations where a stable and continuous power supply from the grid is unavailable or as a backup power source during power outages.

8. Escort Hydra

It refers to a specific type of construction equipment, which is a hydraulic mobile crane manufactured by Escorts Limited, an Indian engineering company. Escorts Hydra cranes are widely used in construction and various industrial applications for lifting and moving heavy loads.

9. Forklift

It is a specialized industrial vehicle used for the lifting and transportation of heavy materials and loads over short distances. Forklifts are essential equipment in warehouses, factories, construction sites, distribution centers, and various other settings where the efficient handling of heavy goods is required.

We intend to buy following under the capital expenditures, the tentative costs are given below along with the quotations from vendors:

| S. No. | Date | Vendors | Particulars | Amount in Quotation* (Amt. in Lakh) | Amount to be deployed (in Lakhs) |
|--------|--------------------|---------------------------------------|--|-------------------------------------|----------------------------------|
| 1. | September 30, 2023 | Joy Enterprises | Building construction, including road, Sump, Flooring, Fire fighting System. (Total Area 40,000 Sq. Ft) | 1,040.04 | 1,000.00 |
| 2. | September 28, 2023 | M/s. KVTEK Power Systems Pvt Ltd | Impulse Voltage Test System 1600 KV 160 HJ for 220 KV Class | 190.00 (extra 2% P&F) | 193.80 |
| 3. | September 20, 2023 | M/s. Vikrant Special machines Pvt Ltd | Winding Machine & Former (CW5NG (5000 KG)) | 10.00 (including 2% P&F) | 10.00 |
| 4. | September 20, 2023 | M/s. Vikrant Special machines Pvt Ltd | Winding Machine & Former (CW7.5NG (7500 KG)) | 11.50 (including 2% P&F) | 11.50 |
| 5. | September 20, 2023 | M/s. Vikrant Special machines Pvt Ltd | Winding Machine & Former (CW10NG (10000 KG)) | 14.75 (including 2% P&F) | 14.75 |
| 6. | September 20, 2023 | M/s. Vikrant Special machines Pvt Ltd | Hydraulic S bend Tool | 1.65 (including 2% P&F) | 1.65 |

| | | | | | |
|-----|--------------------|---|---|--------------------------------------|-----------------|
| 7. | September 20, 2023 | M/s. Vikrant Special machines Pvt Ltd | Former (Dia 300/400mmx1500mm Long (12 Segment)) | 2.00 (including 2% P&F) | 2.00 |
| 8. | September 20, 2023 | M/s. Vikrant Special machines Pvt Ltd | Former (Dia 400/600mmx1600mm Long (12 Segment)) | 2.75 (including 2% P&F) | 2.75 |
| 9. | September 20, 2023 | M/s. Vikrant Special machines Pvt Ltd | Former (Dia 600/800mmx1800mm Long (16 Segment)) | 4.25 (including 2% P&F) | 4.25 |
| 10. | September 20, 2023 | M/s. Vikrant Special machines Pvt Ltd | Former (Dia 800/1100mmx1900mm Long (16 Segment)) | 5.50 (including 2% P&F) | 5.50 |
| 11. | September 20, 2023 | M/s. Vikrant Special machines Pvt Ltd | Former (Dia 1100/1500mmx2000mm Long (20 Segment)) | 9.10 (including 2% P&F) | 9.10 |
| 12. | September 20, 2023 | M/s. Vikrant Special machines Pvt Ltd | Former (Dia 1500/1900mmx2000mm Long (24 Segment)) | 12.75 (including 2% P&F) | 12.75 |
| 13. | August 18, 2023 | M/s. Cee Dee Vacuum Equipment Pvt Ltd., | VPD | 530.00 (extra 2% P&F) | 540.60 |
| 14. | August 18, 2023 | M/s. Cee Dee Vacuum Equipment Pvt Ltd., | Coil drying System | 61.35 (extra 2% P&F) | 62.57 |
| 15. | August 18, 2023 | M/s. Cee Dee Vacuum Equipment Pvt Ltd., | Trolley - Drying Oven | 2.25 (extra 2% P&F) | 2.29 |
| 16. | September 21, 2023 | M/s. Amsak Cranes Pvt Ltd | Crane (30T - Double Girder EOT, 30 M) | 82.00 (extra 2% P&F) | 83.64 |
| 17. | September 21, 2023 | M/s. Amsak Cranes Pvt Ltd | Crane (SWL 150(150-30) T - Double Girder EOT) | 246.85 (extra 2% P&F) | 251.78 |
| 18. | September 25, 2023 | M/S.GMMCO Limited | Diesel generator, 1010KVA, 415 V,3 Phase (CAT) | 157.97 (including installation) | 157.97 |
| 19. | September 28, 2023 | M/S. TVS Mobility Pvt Ltd., | Escort Hydra 1565-15 Tons | 26.64 (including installation & GST) | 26.64 |
| 20. | September 29, 2023 | M/s. Electromech Equipments Sales & Service | Forklift - 5 ton (Diesel) - Godrej | 19.75 | 19.75 |
| | | | Total | | 2,413.30 |

Note:

1. All amounts are exclusive of GST unless expressly mentioned.
2. Any excess expenditure will be funded by the company through internal accruals.
3. All the quotations are valid as on the date of DRHP.

2. Working Capital Requirements:

Our Company proposes to utilize Rs. 1105.00 Lakhs towards funding its working capital requirements in the ordinary course of business. We have significant working capital requirements, and in the ordinary course of business, we fund our working capital needs through internal accruals. Our Company, in order to support its

incremental business requirements, funding growth opportunities and for other strategic, business, and corporate purposes requires additional working capital and such funding is expected to lead to a consequent increase in our revenues and profitability.

Basis of Estimation, assumptions and justification of working capital requirements.

The estimates of the working capital requirements for the financial years ending on March 31, 2024, have been prepared based on the management estimates of future financial performance. The projection has been prepared using a set of assumptions that include assumptions about future events and management’s actions that are not necessarily expected to occur. On the basis of existing and estimated working capital requirements of our Company on standalone basis, and assumptions for such working capital requirements. The proposed funding of such working capital requirements as set forth below:

| Particulars | March 31, 2021 | March 31, 2022 | March 31, 2023 | Stub July 31, 2023 | March 31, 2024 |
|---|-------------------|-------------------|-------------------|-----------------------|-------------------|
| | (Audited) | (Audited) | (Audited) | (Audited) | (Estimated) |
| Current Assets | | | | | |
| Inventories | 831.60 | 979.96 | 1,549.94 | 2,148.48 | 2,081.36 |
| Trade Receivables | 1,575.12 | 1,787.39 | 2,446.89 | 3,461.77 | 3,030.21 |
| Other Current Assets | 211.43 | 99.58 | 113.63 | 212.00 | 524.37 |
| Cash & Cash Equivalent | 271.71 | 34.36 | 5.71 | 2.61 | 128.48 |
| Total | 2,889.86 | 2,901.29 | 4,116.17 | 5,824.86 | 5,764.42 |
| Current Liabilities | | | | | |
| Short Term Borrowings | 1,792.16 | 592.97 | 544.72 | 1,042.80 | 800.00 |
| Trade Payables | 567.53 | 1,599.16 | 1,716.56 | 2,782.76 | 2,582.04 |
| Other Current Liabilities | 16.19 | 10.57 | 112.42 | 349.00 | 125.15 |
| Short Term Provisions | 12.54 | 18.87 | 291.03 | 425.74 | 349.58 |
| Total | 2,388.42 | 2,221.57 | 2,664.73 | 4,600.30 | 3,856.77 |
| WC Requirement | 501.45 | 679.72 | 1,451.43 | 1,224.55 | 1,907.65 |
| Internal Accruals/Share Capital/ Borrowings (Short Term) | 501.45 | 679.72 | 1,451.43 | 1,224.55 | 802.50 |
| IPO Proceeds | - | - | - | - | 1105.00 |

Basis of Estimation and Key Assumptions for working capital projections made by Company:

(No. of days)

| Particulars | Basis | March 31, 2021 (A) | March 31, 2022 (A) | March 31, 2023 (A) | Stub July 31, 2023 (A) | March 31, 2024 (E) |
|-----------------------------|---------------------------------------|-----------------------|-----------------------|-----------------------|------------------------------|-----------------------|
| Trade Receivables | Debtors Collection Period | 163 | 140 | 118 | 123 | 105 |
| Inventory | Cost of Goods Sold | 93 | 83 | 91 | 92 | 90 |
| Trade Payables | Credit Period | 63 | 135 | 100 | 119 | 112 |
| Working Capital Days | Receivables + Inventory – Payables | 193 | 88 | 109 | 96 | 83 |

The total working capital requirements for the FY 2020-21 was Rs. 501.45 Lakhs, For FY 2021-22 was Rs. 679.72 Lakhs & and for the FY 2022-23 it stands at Rs. 1,451.43 Lakhs. The amount of Working Capital Requirement in Stub Period ending 31st Stub period 31st July 2023 stood at Rs. 1,224.55 Lakhs. It is estimated that in FY 2023-24, the working capital requirement is Rs. 1907.65 Lakhs For FY 2023-24, Rs. 605 Lakhs shall be sourced through IPO proceeds & the rest amount will be sourced from internal accruals and borrowings.

Justification:

Our company is a high inventory and longer debtor collection days business which has been seeing improvement over the years.

Current Assets

Inventories

| Particulars | UOM | March 31, 2021 (A) | March 31, 2022 (A) | March 31, 2023 (A) | Stub July 31, 2023 (A) | March 31, 2024 (E) |
|-------------------------|-----------|--------------------|--------------------|--------------------|------------------------|--------------------|
| Inventory | Rs. Lakhs | 831.60 | 979.96 | 1,549.94 | 2,148.48 | 2,081.36 |
| Change in Amount | Rs. Lakhs | - | 148.36 | 569.98 | 598.54 | (67.12) |
| Inventory | Days | 93 | 83 | 91 | 92 | 90 |
| Change in Days | Days | - | -10 | +8 | +1 | -2 |

Upon analysing this table, it becomes evident that the company has consistently maintained an inventory cycle of average of 90 days over the years. If we break down the findings for each fiscal year:

- **Fiscal Year 2020-21 (Inventory: Rs. 831.60 lakhs, Inventory Days: 93 days):** In this fiscal year, the company had an inventory of Rs. 831.60 lakhs, resulting in an inventory cycle of 93 days. This means it took the company an average of 93 days to sell its inventory.
- **Fiscal Year 2021-22 (Inventory: Rs. 979.96 lakhs, Inventory Days: 83 days):** The following fiscal year showed improvement, as the inventory cycle decreased to 83 days, even though the inventory value increased to Rs. 979.96 lakhs. This indicated improved efficiency in managing inventory turnover.
- **Fiscal Year 2022-23 (Inventory: Rs. 1,549.94 lakhs, Inventory Days: 91 days):** However, in the subsequent fiscal year, the inventory cycle increased to 91 days, despite a significant increase in inventory value to Rs. 1,549.94 lakhs. Notably, revenue also increased substantially from Rs. 4,670.92 lakhs to Rs. 7,790.13 lakhs during this period.
- **Stub Period as of July 31, 2023 (Inventory: Rs. 2,148.48 lakhs, Inventory Days: 92 days):** In the interim period ending on July 31, 2023, the company's inventory continued to grow, reaching Rs. 2,148.48 lakhs. Nevertheless, the inventory cycle remained consistent at 92 days, aligning with the revenue increase for this period.
- **Estimated Fiscal Year 2023-24 (Projected Inventory Days: 90 days) & Fiscal Year 2024-25 (Projected Inventory Days: 87 days):** Looking ahead, the company's estimated inventory cycle for fiscal year 2023-24 is expected to be around 90 days, with further improvement projected for fiscal year 2024-25 at 87 days. This suggests that the company intends to maintain an efficient 90-day inventory cycle in the upcoming years.

Thus, despite fluctuations in inventory cycle and inventory values over the years, it is evident that the company is committed to maintaining a 90-day inventory cycle. This strategy appears to align with the company's revenue growth and demonstrates its dedication to effective inventory management.

Trade Receivables

| Particulars | UOM | March 31, 2021 (A) | March 31, 2022 (A) | March 31, 2023 (A) | Stub July 31, 2023 (A) | March 31, 2024 (E) |
|-------------------------|------------------|--------------------|--------------------|--------------------|------------------------|--------------------|
| Trade Receivable | Rs. Lakhs | 1,575.12 | 1,787.39 | 2,446.89 | 3,461.77 | 3,030.21 |
| Change in Amount | Rs. Lakhs | - | 212.27 | 659.50 | 1,014.88 | (431.56) |
| Trade Receivable | Days | 163 | 140 | 118 | 123 | 105 |
| Change in Days | Days | - | -23 | -22 | +5 | -18 |

The data from table offers a comprehensive view of the company's Trade Receivables from fiscal year 2020-21 to fiscal year 2024-25. In fiscal year 2020-21, the company had Trade Receivables worth Rs. 1,575.12 lakhs, and over the next year, this figure grew to Rs. 1,787.39 lakhs. This upward trajectory continued, with a substantial increase to Rs. 2,446.89 lakhs by fiscal year 2022-23, and a significant surge to Rs. 3,461.77 lakhs by stub period 31st July 2023. However, there was a slight decrease to Rs. 3,030.21 lakhs by fiscal year 2023-24.

In terms of changes in the Trade Receivables amount, there was a positive change of Rs. 212.27 lakhs between Fiscal year 2020-21 and Fiscal year 2021-22, followed by a substantial increase of Rs. 659.50 lakhs between Fiscal year 2021-22 and Fiscal year 2022-23. The stub period ending on July 31, 2023, marked a significant surge of Rs. 1,014.88 lakhs, but this was followed by a slight decline of Rs. 431.56 lakhs between Stub period 31st July 2023 and Fiscal year 2023-24.

It should be noted that the reason for decrease in fiscal year 2023-24 from stub period 31st July 2023 is due to one major reason i.e. company's decision to increase its revenue from private sector which has better receivable days.

Another crucial metric, Trade Receivables Days (DSO), revealed the efficiency of receivables collection. DSO decreased from 163 days in fiscal year 2020-21 to 140 days in fiscal year 2021-22, indicating improved collections. Further efficiency was observed as DSO decreased to 118 days by fiscal year 2022-23. It stayed near about same lines at 123 days for stub period July 31, 2023. It further reduced to 105 days by fiscal year 2023-24.

If we look at the numbers, even though the amounts of trade receivables are increasing significantly, the number of days have been reducing consistently. Thus, this shows that the company's receivable days are on right trajectory and reducing with company adding more revenue from private sector players and better receivables from existing state government entities.

Other Current Assets

Other Current Assets include Advance payment of taxes & Other Current Assets

| Particulars | UOM | March 31, 2021 (A) | March 31, 2022 (A) | March 31, 2023 (A) | Stub July 31, 2023 (A) | March 31, 2024 (E) |
|-------------------------|------------------|--------------------|--------------------|--------------------|------------------------|--------------------|
| Other Current Assets | Rs. Lakhs | 211.43 | 99.58 | 113.63 | 212.00 | 524.37 |
| Change in Amount | Rs. Lakhs | - | (111.85) | 14.05 | 98.37 | 312.37 |

The company's other current assets include Bill Discounting, Prepaid Expenses, Advance Taxes paid or receivable, Input Credit of taxes, Advance to Supplier & Other Receivables. In the fiscal year 2020-21, the company reported a relatively high balance in its Other Current Assets (OCA), amounting to Rs. 211.43 lakhs. This increase was primarily attributed to a substantial input tax credit of Rs. 111.94 lakhs that the company had available for utilization. This tax credit had accrued from the company's investments in raw materials and machinery.

For fiscal year 2021-22 to stub period July 31, 2023, from Rs. 99.58 lakhs to Rs. 212.00 lakhs, the majority of this increase in OCA was allocated towards advanced payments to suppliers and an uptick in advance tax payments, driven by the company's improved profitability.

Looking ahead, the company is gearing up for a significant growth trajectory through an Initial Public Offering (IPO) to raise funds. This anticipated IPO is expected to result in a substantial boost in the company's revenue. With this projected surge in revenue, profits are also expected to experience exponential growth. As the company

embarks on this expansion journey, it is likely that its Other Current Assets will also see an expansion.

The expected revenue and profit growth will necessitate increased advance tax payments and advanced payments to suppliers. These actions are aimed at securing more favorable pricing for raw materials. As a result, we anticipate that the balances in Other Current Assets will rise to Rs. 524.37 Lakhs in the fiscal years 2023-24. This strategic approach reflects the company's proactive efforts to manage its financial resources and support its growth plans effectively.

Current Liabilities

Trade Payables

| Particulars | UOM | March 31, 2021 (A) | March 31, 2022 (A) | March 31, 2023 (A) | Stub July 31, 2023 (A) | March 31, 2024 (E) |
|-------------------------|------------------|--------------------|--------------------|--------------------|------------------------|--------------------|
| Trade Payables | Rs. Lakhs | 567.53 | 1,599.16 | 1,716.56 | 2,782.76 | 2,582.04 |
| Change in Amount | Rs. Lakhs | - | 1,031.63 | 117.40 | 1,066.21 | (200.72) |
| Trade Payables | Days | 63 | 135 | 100 | 119 | 112 |
| Change in Days | Days | - | +72 | -35 | +19 | -7 |

The data clearly highlights a substantial surge in trade payables during the fiscal year 2021-22, where they increased by approximately Rs. 1,031.63 Lakhs, rising from Rs. 567.53 Lakhs to Rs. 1,599.16 Lakhs. This notable increase can be attributed to the reduction in short-term borrowings, as available cash flow was directed towards repaying short-term debts, resulting in an increase in payables.

Another significant uptick in creditors is observed during the stub period ending on July 31, 2023, amounting to Rs. 1,066.21 Lakhs. This increase is primarily driven by a significant rise in revenue during the same period, leading to a proportional increase in relative operating expenses. Notably, the revenue generated during this stub period, totaling Rs. 3,525.95 Lakhs, accounts for approximately 50% of the total revenue for the full fiscal year 2022-23, which is Rs. 7,790.13 Lakhs. This trend is expected to continue in the estimated periods, with trade payables projected to be at Rs. 2,582.04 Lakhs for fiscal year 2023-24.

Examining the trade payable days, there was a significant increase in fiscal year 2021-22 due to the rise in creditors resulting from cash being allocated to the repayment of short-term borrowings. Consequently, trade payable days increased from 63 to 135. Subsequently, these days have remained within the range of 100-120 days. While they decreased to 100 days in fiscal year 2022-23, there was a slight increase to 119 days in the stub period ending on July 31, 2023. Projections indicate a reduction to 112 days in fiscal year 2023-24.

Short Term Borrowings

| Particulars | UOM | March 31, 2021 (A) | March 31, 2022 (A) | March 31, 2023 (A) | Stub July 31, 2023 (A) | March 31, 2024 (E) |
|-------------------------|------------------|--------------------|--------------------|--------------------|------------------------|--------------------|
| Short Term Borrowings | Rs. Lakhs | 1,792.16 | 592.97 | 544.72 | 1,042.80 | 800.00 |
| Change in Amount | Rs. Lakhs | - | -1,199.19 | -48.25 | 498.08 | -242.80 |
| Short Term Borrowings | Days | 200 | 50 | 32 | 45 | 35 |
| Change in Days | Days | - | -150.00 | -18.00 | 13.00 | -10.00 |

The category of Short-Term Borrowings encompasses elements such as the current maturities of long-term debt, Bank Overdraft, and Short-Term Borrowings from Banks.

The data presented reveals a significant repayment of approximately Rs. 1,200 Lakhs during the fiscal year 2021-22. This repayment was made from the sanctioned bank limit allocated for working capital. In the subsequent fiscal year, 2022-23, the company maintained its borrowing levels at a consistent level. However, during the stub period ending on July 31, 2023, there was an increase of Rs. 498.08 lakhs in short-term borrowings. This increase can be attributed to an expansion of the company's sanctioned credit limits during this stub period.

Looking ahead, the company is preparing to reduce its reliance on working capital limits provided by banks. This shift is driven by the company's plan to raise the necessary working capital through an Initial Public Offering (IPO). Consequently, there is an expected decrease in short-term borrowings for fiscal year 2023-24 (estimated at Rs. 800 Lakhs). This strategic move reflects the company's intention to optimize its financial structure and minimize borrowing requirements from banks as it secures funds through its IPO.

Other Current Liabilities

| Particulars | UOM | March 31, 2021 (A) | March 31, 2022 (A) | March 31, 2023 (A) | Stub July 31, 2023 (A) | March 31, 2024 (E) |
|----------------------------------|------------------|--------------------|--------------------|--------------------|------------------------|--------------------|
| Other Current Liabilities | Rs. Lakhs | 16.19 | 10.57 | 112.42 | 349.00 | 125.15 |
| Short Term Provisions | Rs. Lakhs | 12.54 | 18.87 | 291.03 | 425.74 | 349.58 |
| Total | Rs. Lakhs | 28.73 | 29.44 | 403.46 | 774.74 | 474.73 |

The above dataset states a notable upswing in Other Current Liabilities (OCL) and Provisions from fiscal year 2021-22 i.e. Rs. 29.44 Lakhs to fiscal year 2022-23 i.e. Rs. 403.46 Lakhs, with a continuation into the stub period ending on July 31, 2023 standing at Rs. 774.74 Lakhs. This increase is primarily attributed to two significant factors:

- Firstly, the company experienced an elevation in OCL and Provisions due to the receipt of higher advances from its customers, particularly from private entities. These advances typically stem from customers opting for advance payments, often balancing them against Letters of Credit (LC).
- Secondly, the company's augmented profitability led to an expansion in the provision for income tax. This increase in profits necessitated the allocation of more funds for income tax obligations, thereby contributing to the overall growth in OCL and Provisions during this period.
- Looking ahead, it is anticipated that for fiscal year 2023-24 (estimated at Rs. 474.73 lakhs) the amounts will likely remain within the range observed in fiscal year 2022-23. This projection is grounded in the company's improved operational management and the timely delivery of goods from new plant and machinery acquisitions, underscoring the company's commitment to effective financial management and operational efficiency.

Conclusion

| Particulars | March 31, 2021 (A) | March 31, 2022 (A) | March 31, 2023 (A) | Stub July 31, 2023 (A) | March 31, 2024 (E) |
|--------------------------------------|--------------------|--------------------|--------------------|------------------------|--------------------|
| Inventory | 93 | 83 | 91 | 92 | 90 |
| Trade Receivables | 163 | 140 | 118 | 123 | 105 |
| Trade Payables | (63) | (135) | (100) | (119) | (112) |
| Working Capital Days (Approx) | 193 | 88 | 109 | 96 | 83 |

It is conclusive to see that the overall working capital days have reduced from 193 days in fiscal year 2020-21 to 83 Days in fiscal 2023-24. Overall decrease in Working Capital Days can show in real time that the company's performance is increasing as the working capital requirement days is reducing.

3. General Corporate Purpose

Our Company intends to deploy the balance Net Proceeds aggregating Rs. 873.70 Lakh for General Corporate Purposes subject to such utilization not exceeding 25% of the Gross Proceeds, in compliance with the SEBI Regulations, including but not limited or restricted to, strategic initiatives, strengthening our marketing network & capability, meeting exigencies, brand building exercises in order to strengthen our operations. Our management, in

accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for General Corporate Purposes.

4. Issue Related Expenses

The expenses for this Issue include issue management fees, underwriting fees, registrar fees, legal advisor fees, printing and distribution expenses, advertisement expenses, depository charges and listing fees to the Stock Exchange, among others. The total expenses for this Issue are estimated not to exceed Rs. 275.00 Lakh.

| S.No. | Particulars | Amount (Rs. in Lakhs) | % of Total Expenses |
|--------------|---|--------------------------|------------------------|
| 1 | Book Running Lead manager(s) fees including underwriting commission. | 35.00 | 12.73% |
| 2 | Registrars to the issue | 17.50 | 6.36% |
| 3 | Legal Advisors | 2.00 | 0.73% |
| 4 | Printing, advertising and marketing expenses | 135.00 | 49.09% |
| 5 | Regulators including stock exchanges | 15.00 | 5.45% |
| 6 | Others, if any (Advisors to the company, Peer Review Auditors, and other misc. expenses like printing & stationery etc.) | 70.50 | 25.64% |
| Total | | 275.00 | 100.00% |

MEANS OF FINANCE

(Rs. in Lakh)

| Particulars | Estimated Amount |
|--------------|------------------|
| IPO Proceeds | 4,667.00 |

APPRAISAL BY APPRAISING AGENCY

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

SCHEDULE OF IMPLEMENTATION

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

(Rs. in Lakh)

| Sr. No. | Particulars | Amount to be funded from Net Proceeds | Expenses incurred till December 15, 2023 | Estimated Utilisation of Net Proceeds (F.Y. 2023-24) | Estimated Utilisation of Net Proceeds (F.Y. 2024-25) |
|--------------|---------------------------------|---------------------------------------|--|--|--|
| 1 | Capital Expenditure Requirement | 2,413.30 | - | 1,206.65 | 1,206.65 |
| 2 | Working Capital Requirement | 1105.00 | - | 552.50 | 552.50 |
| 3 | General Corporate Purposes* | 873.70 | - | 436.85 | 436.85 |
| 4 | Issue Expenses** | 275.00 | 67.05 | 207.95 | Nil |
| Total | | 4,667.00 | 67.05 | 2,403.95 | 2,196.00 |

**Figures are tentative*

***As per the certificate dated December 15, 2023, given by Statutory Auditor of the company, M/s, P P N and Company, Chartered Accountants, the company has incurred a sum of Rs. 67.05 lakhs towards the issue expenses.*

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

DEPLOYMENT OF FUNDS

The Company has received the Sources and Deployment Funds Certificate dated December 15, 2023, from M/s, P P N and Company, Chartered Accountants. The certificate states that the Company has deployed amounts aggregating Rs. 67.05 Lakhs till December 15, 2023.

INTERIM USE OF FUNDS

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

BRIDGE FINANCING FACILITIES

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

MONITORING UTILIZATION OF FUNDS

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

VARIATION IN OBJECTS

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

OTHER CONFIRMATIONS

No part of the issue proceeds will be paid as consideration to promoters, directors, key managerial personnel, associates or group companies except in the normal course of business and as disclosed in the sections titled. Our Promoters, Our Promoters Group and Our Management as mentioned on page nos. 170, 174 and 153 of this Prospectus.

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BASIS FOR ISSUE PRICE

Investors should read the following summary with the section titled “Risk Factors”, the details about our Company under the section titled "Our Business" and its financial statements under the section titled "Financial Information of the Company" beginning on page 24, 114 and 182 respectively of the Prospectus. The trading price of the Equity Shares of our Company could decline due to these risks and the investor may lose all or part of his investment.

The Price Band/ Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager on the basis of the assessment of market demand for the Equity Shares through the Book Building Process and on the basis of qualitative and quantitative factors. The face value of the Equity Shares is ₹ 10/- each and the Issue Price is Rs. 65/-.

QUALITATIVE FACTORS

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

1. *B2G Business Relations*
2. *Integrated Business Model*
3. *Cordial relations with our customers*
4. *Quality Deliverables*
5. *Favourable Government policies*

For further details, refer heading chapter titled –Our Business beginning on page 114 of this Prospectus.

QUANTITATIVE FACTORS

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

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

| Financial Year | EPS (Basic & Diluted) | Weight |
|--|-----------------------|-------------|
| For the period ended on July 31, 2023 | 2.77 | 4 |
| 2022-23 | 6.08 | 3 |
| 2021-22 | 0.29 | 2 |
| 2020-21 | 0.15 | 1 |
| Weighted Average EPS | | 3.01 |

Note:

- a) EPS Calculations have been done in accordance with Accounting Standard 20 - Earning per share issued by the Institute of Chartered Accountants of India.
- b) Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting year.
- c) Weighted Average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year/period adjusted by the number of Equity Shares issued during year/period multiplied by the time

weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

- d) For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2. Price to Earnings (P/E) ratio in relation to Issue Price of Rs. 65.00 per Equity Share of face value Rs.10/- each fully paid up.

| Particulars | P/E Ratio |
|---|-----------|
| P/E ratio based on the Basic & Diluted EPS, as restated for Period ended on July 31, 2023 | 23.47 |
| P/E ratio based on the Basic & Diluted EPS, as restated for FY 2022-2023 | 10.69 |
| P/E ratio based on the Basic & Diluted EPS, as restated for FY 2021-2022 | 224.14 |
| P/E ratio based on the Basic & Diluted EPS, as restated for FY 2020-2021 | 433.33 |
| P/E ratio based on the Weighted Average EPS, as restated | 21.59 |

**Not Annualized*

Industry P/E as on July 31, 2023

| | |
|-------------------|-------|
| *Highest | 58.79 |
| **Lowest | 18.14 |
| ***Average | 38.47 |

**We have taken the lowest P/E from the P/E of Listed Industry Peers.*

*** We have taken the highest P/E from the P/E of Listed Industry Peers.*

**** Average of Lowest and Highest Industry P/E.*

3. Return on Net Worth (RONW)

| Financial Year | Return on Net Worth (%) | Weight |
|--|-------------------------|---------------|
| For the period ended on July 31, 2023 | 21.43% | 4 |
| 2022-23 | 59.88% | 3 |
| 2021-22 | 7.16% | 2 |
| 2020-21 | 3.95% | 1 |
| Weighted Average | | 28.36% |

Note:

- Return on Net Worth (%) = Net Profit after tax attributable to owners of the Company, as restated /Net worth as restated as at year end.
- Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights
- Net worth is aggregate value of the paid-up share capital of the Company and reserves and surplus, excluding revaluation reserves and attributable to equity holders.

4. Net Asset Value per Equity Share

| Particulars | Net Asset Value (NAV) in Rs. |
|--|------------------------------|
| For the period ended on July 31, 2023 | 58.07 |
| NAV as on March 31, 2023 | 45.62 |
| NAV as on March 31, 2022 | 18.28 |

| | |
|--|-------|
| NAV as on March 31, 2021 | 16.97 |
| NAV after the Offer- at Cap Price | 18.68 |
| NAV after the Offer- at Floor Price | 17.53 |
| NAV after the Offer- at Issue Price | 18.68 |
| Issue Price | 65.00 |

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

$NAV = \text{Net worth excluding preference share capital and revaluation reserve} / \text{Outstanding number of Equity shares outstanding during the year or period}$

5. Comparison with industry peers

(as on March 31, 2023)
(in lakhs)

| # | Name of the company | Face Value (Per Share) | CMP** | EPS | P/E Ratio* ** | RoNW (%) | NAV (Rs. Per share) | PAT |
|--------------------|---|------------------------|----------|--------|---------------|----------|---------------------|-----------|
| 1 | Supreme Power Equipment Limited | 10 | - | 6.08 | - | 59.9% | 45.62 | 1,082.29 |
| Peer Group* | | | | | | | | |
| 2 | TD Power System Limited | 02 | 264.55 | 5.70 | 46.41 | 16.00% | 3,805.96 | 8845.83 |
| 2 | Transformers & Rectifiers (India) Limited | 01 | 164.60 | 2.80 | 58.79 | 9.70% | 28.84 | 3709 |
| 3 | Indo Tech Transformers Limited | 10 | 438.90 | 24.20 | 18.14 | 15.00% | 16.09 | 2570.18 |
| 4 | VoltAmp Transformers Limited | 10 | 4,349.55 | 197.63 | 22.01 | 19.51% | 1,094.41 | 19,994.28 |

*Sourced from Annual Reports, Audited Financials, NSE.

**Current Market Price is taken as closing on October 3, 2023.

***We have calculated P/E Ratio by dividing the Current Market Price on October 03, 2023 and EPS as on March 31, 2023.

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

Notes:

- Considering the nature and turnover of business of the Company the peer are not strictly comparable. However, the same have been included for broader comparison.
- The figures for Supreme Power Equipment Limited are based on the restated results for the year ended March 31, 2023.
- The figures (except PE) for the peer group are based on standalone audited results for the respective year ended March 31, 2023.
- Current Market Price (CMP) is the closing price of respective scrip as on October 03, 2023.

For further details, see section titled Risk Factors beginning on page 24 and the financials of the Company including profitability and return ratios, as set out in the section titled Auditors Report and Financial Information of Our Company beginning on page 182 of this Prospectus for a more informed view.

Key financial and operational performance indicators (“KPIs”)

Our company considers that KPIs included herein below have a bearing for arriving at the basis for Offer Price. The KPIs disclosed below have been approved by a resolution of our Audit Committee dated October 05, 2023. Further, the KPIs herein have been certified by P P N and Company, Chartered Accountants, by their certificate dated October 05, 2023 vide UDIN 23238452BGXDZJ6976. Additionally, the Audit Committee on its meeting dated October 05, 2023 have confirmed that other than verified and audited KPIs set out below, our company has not disclosed to earlier investors at any point of time during the three years period prior to the date of the Red Herring Prospectus.

For further details of our key performance indicators, see “Risk Factors, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 24, 114 and 246 respectively. We have described and defined them, where applicable, in “Definitions and Abbreviations” section on page 2. Our Company confirms that it shall continue to disclose all the KPIs included in this section “Basis for Offer Price”, on a periodic basis, at least once in a year (or for any lesser period as determined by the Board of our Company), for a duration that is at least the later of (i) one year after the listing date or period specified by SEBI; or (ii) till the utilization of the Net Proceeds. Any change in these KPIs, during the aforementioned period, will be explained by our Company as required under the SEBI ICDR Regulations.

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

Standalone KPI indicators

(Amount in ₹ lakhs, except EPS, % and ratios)

| Particulars | For the period ended on July 31, 2023 | Financial Year ended March 31st, 2023 | Financial Year ended March 31st, 2022 | Financial Year ended March 31st, 2021 |
|--|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| Revenue from operations ⁽¹⁾ | 3,429.34 | 7,553.03 | 4,660.47 | 3,535.17 |
| Growth in Revenue from Operations ⁽²⁾ | - | 62.07% | 31.83% | - |
| EBITDA ⁽³⁾ | 585.58 | 1,316.56 | 344.22 | 267.41 |
| EBITDA (%) Margin ⁽⁴⁾ | 17.08% | 17.43% | 7.39% | 7.56% |
| EBITDA Growth Period on Period ⁽⁵⁾ | - | 282.47% | 28.72% | - |
| ROCE (%) ⁽⁶⁾ | 28.99% | 83.01% | 39.37% | 29.50% |
| Current Ratio ⁽⁷⁾ | 1.27 | 1.54 | 1.31 | 1.21 |
| Operating Cash flow ⁽⁸⁾ | 778.66 | 444.51 | (131.43) | 571.46 |
| PAT ⁽⁹⁾ | 492.57 | 1,082.29 | 51.81 | 26.56 |
| ROE/ RoNW ⁽¹⁰⁾ | 21.43% | 59.88% | 7.16% | 3.95% |
| EPS ⁽¹¹⁾ | 2.77 | 6.08 | 0.29 | 0.15 |

Consolidated KPI indicators

(Amount in ₹ lakhs, except EPS, % and ratios)

| Particulars | For the period ended on July 31, 2023 | Financial Year ended March 31st, 2023 |
|--|---------------------------------------|---------------------------------------|
| Revenue from operations ⁽¹⁾ | 3,926.27 | 9,975.94 |
| Growth in Revenue from Operations ⁽²⁾ | - | - |
| EBITDA ⁽³⁾ | 785.74 | 1,815.65 |
| EBITDA (%) Margin ⁽⁴⁾ | 20.01% | 18.20% |
| EBITDA Growth Period on Period ⁽⁵⁾ | - | - |
| ROCE (%) ⁽⁶⁾ | 32.40% | 98.43% |

| | | |
|--|--------|----------|
| Current Ratio⁽⁷⁾ | 1.29 | 1.45 |
| Operating Cash flow⁽⁸⁾ | 123.33 | 829.24 |
| PAT⁽⁹⁾ | 503.16 | 1,107.88 |
| ROE/ RoNW⁽¹⁰⁾ | 21.89% | 61.62% |
| EPS⁽¹¹⁾ | 2.77 | 6.08 |

Notes:

⁽¹⁾ Revenue from operations is the total revenue generated by our Company.

⁽²⁾ Growth in Revenue in percentage, Year on Year

⁽³⁾ EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income

⁽⁴⁾ EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

⁽⁵⁾ EBITDA Growth Rate Year on Year in Percentage

⁽⁶⁾ ROCE: Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus long term debt

⁽⁷⁾ Current Ratio: Current Asset over Current Liabilities

⁽⁸⁾ Operating Cash Flow: Net cash inflow from operating activities.

⁽⁹⁾ PAT is mentioned as PAT for the period

⁽¹⁰⁾ ROE/RoNW is calculated PAT divided by shareholders' equity

⁽¹¹⁾ EPS is mentioned as EPS for the period

| KPI | Explanation |
|-------------------------------|---|
| Revenue from operation | Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business. |
| Revenue Growth Rate % | Revenue Growth rate informs the management of annual growth rate in revenue of the company in consideration to previous period |
| EBITDA | EBITDA provides information regarding the operational efficiency of the business |
| EBITDA Margin (%) | EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business |
| EBITDA Growth Rate % | EBITDA Growth Rate informs the management of annual growth rate in EBITDA of company in consideration to previous period |
| ROCE % | ROCE provides how efficiently our Company generates earnings from the capital employed in the business. |
| Current Ratio | Current ratio indicate the company's ability to bear its short term obligations |
| Operating Cash Flow | Operating cash flow shows whether the company is able to generate cash from day to day business |
| PAT | Profit after Tax is an indicator which determine the actual earning available to equity shareholders |
| ROE/RoNW | It is an indicator which shows how much company is generating from its available shareholders' funds |
| EPS | Earning per shares is the company's earnings available of one share of the Company for the period |

2. GAAP Financial Measures

GAAP Financial measures are numerical measures which are disclosed by the issuer company in accordance with the Generally Accepted Accounting Principles (GAAP) applicable for the issuer company i.e., measures disclosed in accordance with Indian Accounting Standards ("Ind AS") or Accounting Standards ("AS") notified in accordance with Section 133 of the Companies Act, 2013, as amended (the "Act"). These measures are generally disclosed in the financial statements of the issuer company.

On the basis of Restated standalone Financial statements.

(₹ lakhs)

| Particulars | For the period ended on July 31, 2023 | Financial Year ended March 31st, 2023 | Financial Year ended March 31st, 2022 | Financial Year ended March 31st, 2021 |
|---|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| Revenue from operations | 3,429.34 | 7,553.03 | 4,660.47 | 3,535.17 |
| Profit after tax | 492.57 | 1,082.29 | 51.81 | 26.56 |
| Cash flow from operating activities | 778.66 | 444.51 | (131.43) | 571.46 |
| Cash Flow from investing activities | (746.47) | (229.58) | 7.80 | 8.70 |
| Cash Flow from financing activities | (35.29) | (243.58) | (113.70) | (335.06) |
| Net Change in Cash and cash equivalents | 2.61 | 5.71 | 34.38 | 271.71 |

On the basis of Consolidated standalone financial statements.

(₹ lakhs)

| Particulars | For the period ended on July 31, 2023 | Financial Year ended March 31st, 2023 |
|---|---------------------------------------|---------------------------------------|
| Revenue from operations | 3,926.27 | 9,975.94 |
| Profit after tax | 503.16 | 1,107.88 |
| Cash flow from Operating Activities | 123.33 | 829.24 |
| Cash Flow from Investing Activities | (651.31) | 15.56 |
| Cash Flow from Financing Activities | (22.77) | (333.38) |
| Net Change in Cash and cash equivalents | 3.74 | 554.49 |

3. Non- GAAP Financial measures

Non-GAAP Financial measures are numerical measures of the Technical Guide on Disclosure and Reporting of KPIs issuer company's historical financial performance, financial position, or cash flows that:

- i. Exclude amounts, or are subject to adjustments that have the effect of excluding amounts, that are included in the most directly comparable measures calculated and presented in accordance with GAAP in the financial statements of the issuer company; or

Include amounts or are subject to adjustments that have the effect of including amounts, that are excluded from the most directly comparable measures so calculated and presented. Such adjustment items should be based on the audited line items only, which are included in the financial statements. These Non-GAAP Financial measures are items which are not defined under Ind AS or AS, as applicable. Generally, if the issuer company takes a commonly understood or defined GAAP amount and removes or adds a component of that amount that is also presented in the financial statements, the resulting amount is considered a Non-GAAP Financial measure. As a simplified example, if the issuer company discloses net income less restructuring charges and loss on debt extinguishment (having determined all amounts in accordance with GAAP), the resulting performance amount, which may be labelled "Adjusted Net Income," is a Non-GAAP Financial measure.

On the basis of Restated Standalone financial statements.

(in ₹ lakhs, except %)

| Particulars | For the period ended July 31, 2023 | Financial Year ended March 31st, 2023 | Financial Year ended March 31st, 2021 | Financial Year ended March 31st, 2020 |
|-------------------|------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| EBITDA | 585.58 | 1,316.56 | 344.22 | 267.41 |
| Adjusted revenues | 3,525.95 | 7,790.13 | 4,670.92 | 3,546.77 |
| Adjusted PAT | 492.57 | 1,082.29 | 51.81 | 26.56 |
| Gross margin | 21.95% | 24.04% | 11.41% | 12.24% |
| EBITDA margin | 17.08% | 17.43% | 7.39% | 7.546% |
| Working capital | 1,224.55 | 1,451.43 | 679.72 | 501.45 |
| PAT Margin | 13.97% | 13.89% | 1.11% | 0.75% |
| Net worth | 2,298.26 | 1,805.69 | 723.40 | 671.61 |

Total Revenues is considered while calculating adjusted EBITDA Margin

Total Revenues and Adjusted PAT is considered while calculating adjusted PAT Margin

On the basis of Restated Consolidated financial statements.

(in ₹ lakhs, except %)

| Particulars | For the period ended July 31, 2023 | Financial Year ended March 31st, 2023 |
|-------------------|------------------------------------|---------------------------------------|
| EBITDA | 785.74 | 1,815.65 |
| Adjusted revenues | 3,927.61 | 9,990.85 |
| Adjusted PAT | 503.16 | 1,107.88 |
| Gross margin | 23.57% | 22.53% |
| EBITDA margin | 20.01% | 18.20% |
| Working capital | 1,761.08 | 1,914.48 |
| PAT Margin | 12.81% | 11.09% |
| Net worth | 2,298.26 | 1,805.69 |

Apart from the above, Ministry of Corporate Affairs (MCA), vide its notification dated March 24, 2021, has issued certain amendments to the Schedule III to the Act. Pursuant to these amendments, the below ratios are also required to be presented in the financial statements of the companies:

On the basis of Restated Standalone financial statements.

| Particulars | For the period ended July 31, 2023 | Financial Year ended March 31, 2023 | Financial Year ended March 31, 2022 | Financial Year ended March 31, 2021 |
|----------------------------------|------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| Current ratio | 1.27 | 1.54 | 1.31 | 1.21 |
| Debt-equity ratio | 0.57 | 0.45 | 1.34 | 3.05 |
| Debt service coverage ratio | 7.34 | 5.56 | 1.15 | 1.55 |
| Inventory turnover ratio | 1.85 | 5.97 | 5.14 | 4.81 |
| Trade receivables turnover ratio | 1.16 | 3.57 | 2.77 | 2.43 |
| Trade payables turnover ratio | 1.47 | 3.84 | 3.90 | 5.71 |
| Net capital turnover ratio | 1.49 | 4.18 | 6.44 | 5.26 |
| Net profit ratio | 14.36% | 14.33% | 1.11% | 0.75% |
| Return on equity ratio | 21.43% | 59.88% | 7.16% | 3.95% |
| Return on capital employed | 28.99% | 83.01% | 39.37% | 29.50% |

On the basis of Restated Consolidated financial statements.

| Particulars | For the period ended July 31, 2023 | Financial Year ended March 31, 2023 |
|----------------------------------|------------------------------------|-------------------------------------|
| Current ratio | 1.27 | 1.45 |
| Debt-equity ratio | 0.94 | 1.11 |
| Debt service coverage ratio | 0.83 | 4.04 |
| Inventory turnover ratio | 2.83 | 2.04 |
| Trade receivables turnover ratio | 1.00 | 3.06 |
| Trade payables turnover ratio | 16.93 | 13.86 |
| Net capital turnover ratio | 1.71 | 5.52 |
| Net profit ratio | 12.82% | 11.11% |
| Return on equity ratio | 21.89% | 61.62% |
| Return on capital employed | 32.40% | 98.43% |

| Ratio | Explanation |
|----------------------------------|---|
| Current Ratio | Current Assets divided by Current Liabilities |
| Debt-equity ratio | Long Term Debt divided by Net Worth |
| Debt service coverage ratio | EBIT divided by Total Debt + Finance Cost |
| Inventory turnover ratio | Revenue from operation divided by closing inventory |
| Trade receivables turnover ratio | Revenue from Operations divided by Closing Debtors |
| Trade payables turnover ratio | Total Operating Expenses divided by Closing Creditors |
| Net capital turnover ratio | Revenue from Operations divided by Working Capital |
| Net profit ratio | Profit after Tax divided by Revenue from Operations |
| Return on equity ratio | Profit after Tax divided by Net Worth |
| Return on capital employed | EBIT divided by Networth Plus Long Term Debt |

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4. Comparison of KPI with listed industry peers.

(Amount in ₹ lakhs, except %)

| Particulars | Supreme Power Equipment Limited | | | | TD Powers Systems Limited | | | Indo Tech Transformers Limited | | | Transformers And Rectifiers (India) Limited | | | Voltamp Transformers Limited | | |
|--|---------------------------------|------------|------------|------------|---------------------------|------------|------------|--------------------------------|------------|------------|---|------------|------------|------------------------------|------------|------------|
| | July 31, 2023 | FY 2022-23 | FY 2021-22 | FY 2020-21 | FY 2022-23 | FY 2021-22 | FY 2020-21 | FY 2022-23 | FY 2021-22 | FY 2020-21 | FY 2022-23 | FY 2021-22 | FY 2020-21 | FY 2022-23 | FY 2021-22 | FY 2020-21 |
| Revenue from operations ⁽¹⁾ | 3,229.34 | 7,553.03 | 4,660.47 | 3,535.17 | 82,148.42 | 71,880.55 | 49,941.43 | 37,091 | 28,007 | 20,600 | 1,35,986 | 1,12,898 | 72,686 | 1,38,510.41 | 11,2720.9 | 69,230.99 |
| Growth in Revenue from Operations ⁽²⁾ | (54.60)% | 62.07% | 31.83% | (8.49)% | 14.28% | 43.93% | 4.27% | 32.43% | 35.96% | 0.33% | 20.45% | 55.32% | 6.41% | 22.88% | 62.82% | (19.37) % |
| EBITDA ⁽³⁾ | 585.18 | 1,316.56 | 344.22 | 267.41 | 11,812.16 | 7,952.25 | 3,625.77 | 3058 | 1,689 | 863 | 10,576 | 6,608 | 6,351 | 23,087.44 | 13,898.59 | 7,744.52 |
| EBITDA (%) Margin ⁽⁴⁾ | 17.08% | 17.43% | 7.39% | 7.56% | 14.38% | 11.06% | 7.26% | 8.24% | 6.03% | 4.19% | 7.78% | 5.85% | 8.74% | 16.67% | 12.33% | 11.19% |
| EBITDA Growth Period on Period ⁽⁵⁾ | (2.04)% | 136.00% | (2.36)% | 39.70% | 29.97% | 52.38% | 12.60% | 81.05% | 95.71% | (2638.24)% | 60.05% | 4.05% | 37.65% | 66.11% | 79.46% | (31.91) % |
| ROCE (%) ⁽⁶⁾ | 26.27% | 73.93% | 29.54% | 26.65% | 20.29% | 14.51% | 5.90% | 14.96% | 8.52% | 2.86% | 18.68% | 12.64% | 11.44% | 19.98% | 13.91% | 8.22% |
| Current Ratio ⁽⁷⁾ | 1.27 | 1.54 | 1.31 | 1.21 | 2.42 | 1.88 | 1.91 | 1.97 | 2.06 | 2.59 | 1.40 | 1.35 | 1.44 | 4.90 | 4.80 | 5.16 |
| Operating Cash Flow ⁽⁸⁾ | 682.40 | 443.51 | (131.43) | 571.46 | 8,200.01 | (939.34) | (30.06) | (394) | 2170 | 782 | 2,674 | (588) | 9,458 | 16,797.25 | 6557.2 | 1961.36 |
| PAT ⁽⁹⁾ | 492.57 | 1,082.29 | 51.81 | 26.56 | 8,845.83 | 5,441.49 | 1,747.75 | 2,578 | 1189 | 671 | 3,723 | 1,300 | 701 | 20,049.01 | 13,328.38 | 11,121.54 |
| ROE/RoNW ⁽¹⁰⁾ | 21.43% | 59.94% | 7.16% | 3.95% | 14.89% | 10.41% | 3.68% | 15.08% | 8.19% | 5.04% | 9.73% | 3.74% | 2.10% | 18.11% | 14.15% | 13.33% |
| EPS ⁽¹¹⁾ | 2.77 | 6.08 | 0.29 | 0.15 | 5.70 | 17.68 | 5.73 | 24.20 | 11.48 | 5.92 | 2.8 | 0.98 | 0.52 | 197.63 | 131.3 | 110.92 |

**All the information for listed industry peers mentioned above are on a standalone basis and is sourced from their respective audited/ unaudited financial results and/or annual report

Notes:

- (1) Total Income includes Revenue from Operations and Other Income as appearing in the Restated Financial Statements/ Annual Reports of the respected companies
- (2) Growth in Total Income (%) is calculated as Total Income of the relevant period minus Total Income of the preceding period, divided by Total Income of the preceding period
- (3) EBITDA is calculated as Profit before tax + Depreciation + Finance Cost
- (4) EBITDA Margin' is calculated as EBITDA divided by Total Income
- (5) EBITDA Growth Rate is calculated period on period
- (6) ROCE: Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus long term debt
- (7) Current Ratio: Current Asset over Current Liabilities
- (8) Operating Cash Flow: Net cash inflow from operating activities.
- (9) PAT is mentioned as PAT for the period
- (10) ROE/RoNW is calculated PAT divided by shareholders' equity
- (11) EPS is mentioned as EPS for the period

5. Weighted average cost of acquisition.

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

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

| Date of allotment | No of equity shares allotted*** | Face value * | Issue price* | Issue price (Adjusted for Bonus Shares) | Nature of allotment | Nature of consideration | Total consideration (in Rs.) |
|-------------------|---------------------------------|--------------|--------------|---|---------------------|-------------------------|------------------------------|
| NIL | | | | | | | |

- b) The price per share of our Company based on the secondary sale/ acquisition of shares.

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

- c) Weighted average cost of acquisition, floor price and cap price:

| Type of transaction | Weighted average cost of acquisition (₹ per equity shares) | Weighted average cost of acquisition after Bonus shares adjustment (₹ per equity shares) | Floor Price | Cap Price |
|---|--|--|--------------------------------|--------------------------------|
| Weighted average cost of primary / new issue acquisition | NIL | NIL | NIL | NIL |
| Weighted average cost of secondary acquisition | 3.51² | 0.78² | 17.40 times³ | 18.54 times³ |

*Calculated for last 18 months

2. Calculated for Transfer of Equity Shares.

3. Weighted average cost of secondary acquisition divided by (Floor/ Cap Price).

6. Explanation for Floor Price / Cap Price being 17.40 times and 18.54 times price of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (set out in (d) above) in view of the external factors which may have influenced the pricing of the Offer.

Not Applicable.

STATEMENT OF POSSIBLE TAX BENEFITS

To,
The Board of Directors,
Supreme Power Equipment Limited
55, Sidco Industrial Estates, Thirumazhisai Thirumushi,
Tiruvallur, Poonamallee, Tamil Nadu, India, 600124
Dear Sirs,

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

We hereby confirm that the enclosed annexure, prepared by "**Supreme Power Equipment Limited**" ('the Company') states the possible special tax benefits available to the Company and the shareholders of the Company under the Income – tax Act, 1961 ('Act') as amended time to time, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the State Goods and Services Tax Act as passed by respective State Governments from where the Company operates and applicable to the Company, the Customs Act, 1962 and the Foreign Trade Policy 2015-2020, as amended by the Finance Act, 2021, i.e., applicable for the Financial Year 2022-23 relevant to the assessment year 2023-24, presently in force in India for inclusion in the Red Herring Prospectus ("DRHP") / Red Herring Prospectus ("RHP") / Prospectus for the proposed public offer of equity shares, as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations").

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

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

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

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

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

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

Limitations

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

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

The certificate is issued solely for the limited purpose to comply with Indian [ICDR Regulations]. Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in jurisdictions outside India (including in the United States of America), and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices. This report should not be relied upon by prospective investors outside India (including persons who are Qualified Institutional Buyers as defined under (i) Rule 144A or (ii) Regulation S under the United States Securities Act of 1933, as amended) participating in the Offering. We accept no responsibility and deny any liability to any person who seeks to rely on this report and who may seek to make a claim in connection with any offering of securities on the basis that they had acted in reliance on such information under the protections afforded by United States of America law and regulation or any other laws other than laws of India.

Signed in terms of our separate report of even date.

For P P N AND COMPANY

Chartered Accountants

Firm Reg No: 013623S

Peer Review Certificate No. 013578

R RAJARAM

Partner

Membership Number: 238452

Place: Chennai

Date: October 05, 2023

UDIN: 23238452BGXDYR7768

Annexure to the statement of possible Tax Benefits

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

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

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

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

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

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

Notes:

- 1.** All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
- 2.** The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

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

Signed in terms of our separate report of even date.

For P P N AND COMPANY

Chartered Accountants

Firm Reg No: 013623S

Peer Review Certificate No. 013578

R RAJARAM

Partner

Membership Number: 238452

Place: Chennai

Date: October 05, 2023

UDIN 23238452BGXDYR7768

SECTION V – ABOUT THE COMPANY

INDUSTRY OVERVIEW

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

GLOBAL OUTLOOK

The global economy remains in a precarious state amid the protracted effects of the overlapping negative shocks of the pandemic, the Russian Federation’s invasion of Ukraine, and the sharp tightening of monetary policy to contain high inflation. Global growth is projected to slow significantly in the second half of this year, with weakness continuing in 2024. Inflation pressures persist, and tight monetary policy is expected to weigh substantially on activity. Recent banking sector stress in advanced economies will also likely dampen activity through more restrictive credit conditions. The possibility of more widespread bank turmoil and tighter monetary policy could result in even weaker global growth. Rising borrowing costs in advanced economies could lead to financial dislocations in the more vulnerable emerging market and developing economies (EMDEs).

The rise in central bank policy rates to fight inflation continues to weigh on economic activity. Global headline inflation is expected to fall from 8.7 percent in 2022 to 6.8 percent in 2023 and 5.2 percent in 2024. Underlying (core) inflation is projected to decline more gradually, and forecasts for inflation in 2024 have been revised upward.

Despite these headwinds, global economic activity was resilient in the first quarter of 2023, with that resilience driven mainly by the services sector. The post-pandemic rotation of consumption back toward services is approaching completion in advanced economies (including in tourism-dependent economies of southern Europe), and it accelerated in a number of emerging market and developing economies in the first quarter. However, as mobility returns to pre-pandemic levels, the scope for further acceleration appears more limited.

At the same time, non-services sectors, including manufacturing, have shown weakness, and high-frequency indicators for the second quarter point to a broader slowdown in activity. Amid softening consumption of goods, heightened uncertainties regarding the future geoeconomic landscape, weak productivity growth, and a more challenging financial environment, firms have scaled back investment in productive capacity. Gross fixed capital formation and industrial production have slowed sharply or contracted in

A. Core inflation

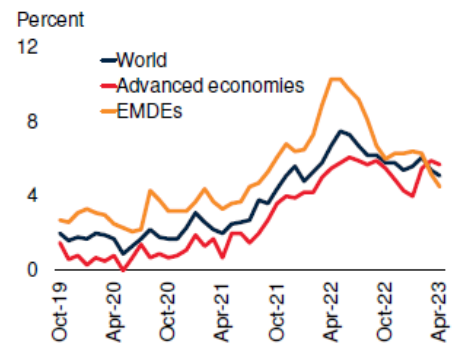
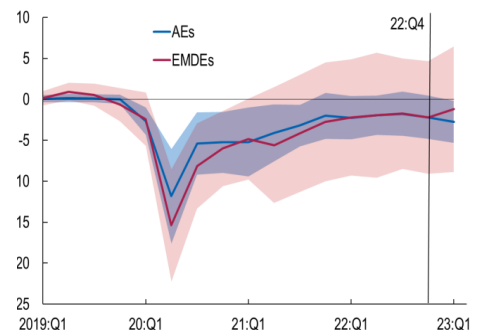


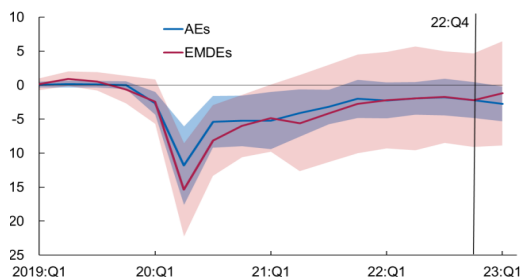
Figure 1. Value Added in the Services Sector: Distance to Pre-Pandemic Trends (Percent)



Sources: Haver Analytics; and IMF staff calculations.
Note: The lines denote means and the bands represent one standard deviation around the means. For 18 AEs, the sample comprises AUS, CAN, CHE, CZE, DEU, DNK, ESP, FRA, GBR, ISR, ITA, KOR, NOR, NZL, SGP, SWE, TWN, and USA. For 16 EMDEs, the sample comprises ARG, BRA, CHL, CHN, COL, HUN, IDN, IND, MEX, MYS, PER, PHL, RUS, THA, TUR, and ZAF. Economy list uses International Organization for Standardization (ISO) country codes. AEs = advanced economies; EMDEs = emerging market and developing economies.

major advanced economies, dragging international trade and manufacturing in emerging markets with them. International trade and indicators of demand and production in manufacturing all point to further weakness. Excess savings built up during the pandemic are declining in advanced economies, especially in the United States, implying a slimmer buffer to protect against shocks, including those to the cost of living and those from more restricted credit availability.

Figure 1. Value Added in the Services Sector: Distance to Pre-Pandemic Trends (Percent)



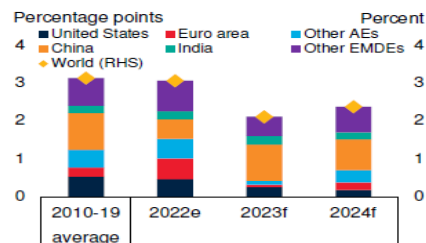
Sources: Haver Analytics; and IMF staff calculations. Note: The lines denote means and the bands represent one standard deviation around the means. For 18 AEs, the sample comprises AUS, CAN, CHE, CZE, DEU, DNK, ESP, FRA, GBR, ISR, ITA, KOR, NOR, NZL, SGP, SWE, TWN, and USA. For 16 EMDEs, the sample comprises ARG, BRA, CHL, CHN, COL, HUN, IDN, IND, MEX, MYS, PER, PHL, RUS, THA, TUR, and ZAF. Economy list uses International Organization for Standardization (ISO) country codes. AEs = advanced economies; EMDEs = emerging market and developing economies.

Acute stress in the banking sector has receded, but credit availability is tight. Thanks to the authorities' swift reaction, the March 2023 banking scare remained contained and limited to problematic regional banks in the United States and Credit Suisse in Switzerland. Accordingly, since the April 2023 WEO, global financial conditions have eased, a sign that financial markets may have become less concerned about risks to financial stability coming from the banking sector. But tight monetary policy continues to put some banks under pressure, both directly (through higher costs of funding) and indirectly (by increasing credit risk).

Source- World Economic Outlook- Updated July 2023(By IMF); WEP June 2023, A World Bank Group Flagship Report

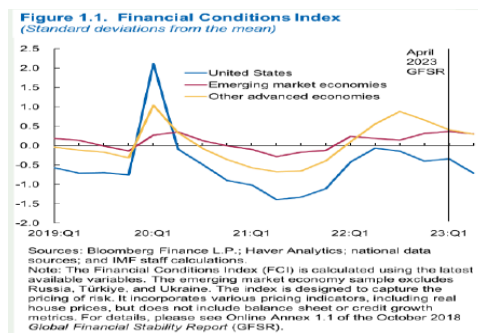
Growth Slowing, with Shifting Composition

A. Contributions to global growth



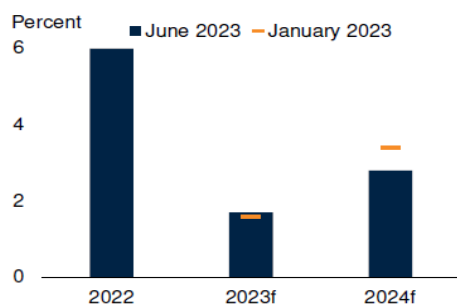
Global growth is projected to fall from 3.5 percent in 2022 to 3.0 percent in both 2023 and 2024 on an annual average basis. Compared with projections in the April 2023 WEO, growth has been upgraded by 0.2 percentage point for 2023, with no change for 2024. The forecast for 2023–24 remains well below the historical (2000–19) annual average of 3.8 percent. It is also below the historical average across broad income groups, in overall GDP as well as per capita GDP terms.

Advanced economies continue to drive the decline in growth from 2022 to 2023, with weaker manufacturing, as well as idiosyncratic factors, offsetting stronger services activity. In emerging market and developing economies, the growth outlook is broadly stable for 2023 and 2024, although with notable shifts across regions. On a year-over-year basis, global growth bottomed out in the fourth quarter of 2022. However, in some major economies, it is not expected to bottom out before the second half of 2023.



Sources: Bloomberg Finance L.P.; Haver Analytics; national data sources; and IMF staff calculations. Note: The Financial Conditions Index (FCI) is calculated using the latest available variables. The emerging market economy sample excludes Russia, Türkiye, and Ukraine. The index is designed to capture the pricing of risk. It incorporates various pricing indicators, including real house prices, but does not include balance sheet or credit growth metrics. For details, please see Online Annex 1.1 of the October 2018 Global Financial Stability Report (GFSR).

D. Global trade forecast

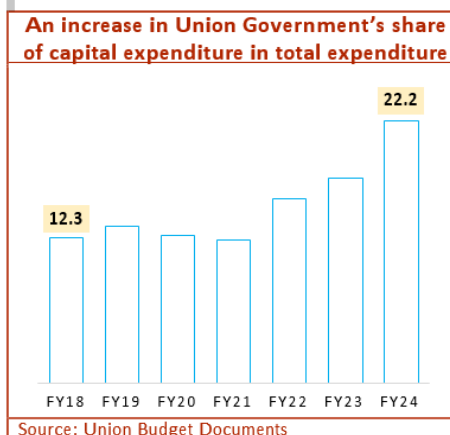


World trade growth is expected to decline from 5.2 percent in 2022 to 2.0 percent in 2023, before rising to 3.7 percent in 2024, well below the 2000–19 average of 4.9 percent. The decline in 2023 reflects not only the path of global demand, but also shifts in its composition toward domestic services, lagged effects of US dollar appreciation—which slows trade owing to the widespread invoicing of products in US dollars—and rising trade barriers.

Sources: Federal Reserve Bank of New York; GTA (database); Haver Analytics; World Bank

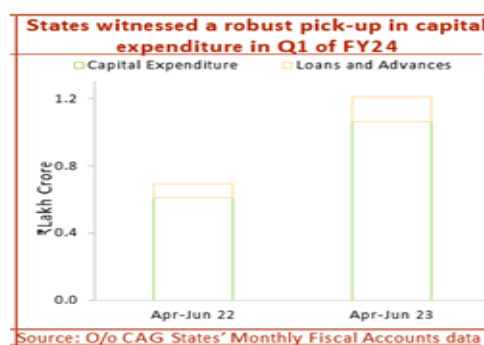
INDIAN ECONOMY OVERVIEW

INDIAN OUTLOOK



Stronger-than-expected growth in the fourth quarter of FY23, driven by robust domestic investment, drove the International Monetary Fund (IMF) to revise India's real GDP growth forecast for FY24 upward by 20 basis points in its July 2023 World Economic Outlook (WEO). The robustness of domestic investment is the result of the government's continued emphasis on capital expenditure, which is expected to drive growth in the coming years. The Union Government in FY24 Budget increased the capital outlay by 33.3 per cent, raising the share of capital expenditure in total expenditure from 12.3 per cent in FY18 to 22.4 per cent in FY24. Measures implemented by the Union Government have also incentivized States to increase their capex spending. States capital expenditure increased by 74.3 per cent YoY in Q1 of FY24 to complement Centre's Capex increase of 59.1 % in the same quarter.

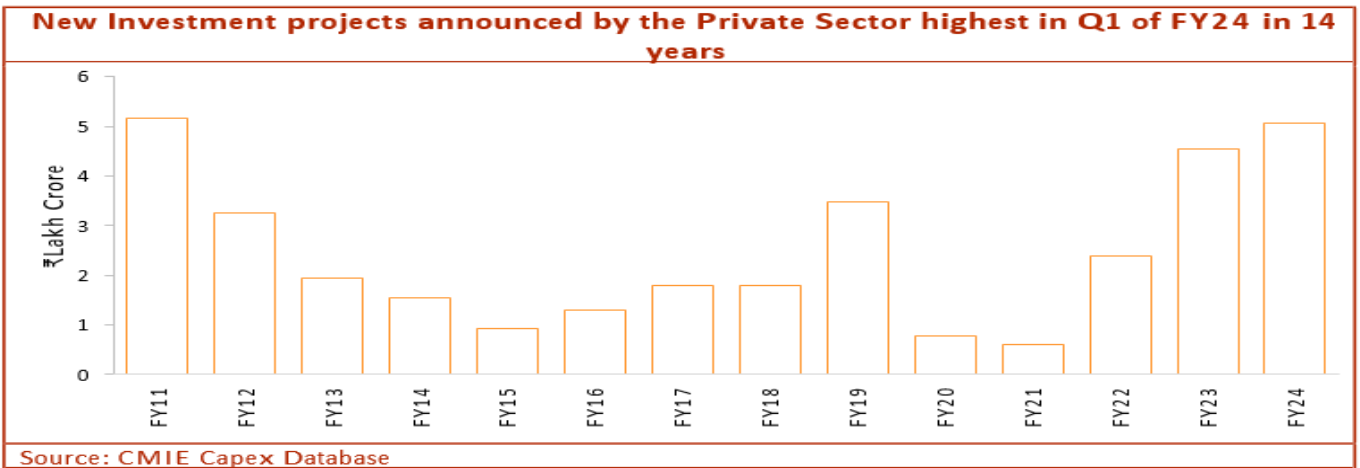
The early release of funds by the Centre to State governments under 'The Scheme for Special Assistance to States for Capital Investment' ensures that investments by States are spread evenly throughout the year, contributing to a substantial growth multiplier. Sustaining the capital expenditure growth by the States in the coming months, along with rationalization of revenue expenditure, will help them in achieving the overall fiscal deficit target of 3.5 per cent of GDP for FY24. The focus of the central government on capex also pushed its departmental arms and Central Public Sector Enterprises (CPSEs) to accelerate their capital expenditure.



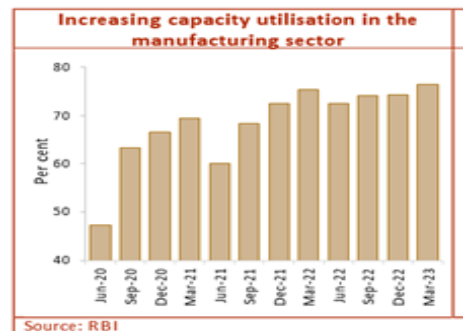
The data released by the Controller and Auditor General (CAG) for 23 States (which roughly account for 92 per cent of the Union Budget size of all the States) reflects that their capital expenditure has jumped by 74.3 per cent in Q1 of FY24, compared to the corresponding period of the previous year. Out of ₹1.3 lakh crore interest-free loans for States for FY24, a sum of ₹600 billion has been sanctioned so far. Of this, ₹300 billion has been disbursed. Further, 54 large CPSEs and five departmental arms have collectively met around 35 per cent of their annual capex target of ₹7.3 lakh crore in Apr-Jul 2023.

Private Investment

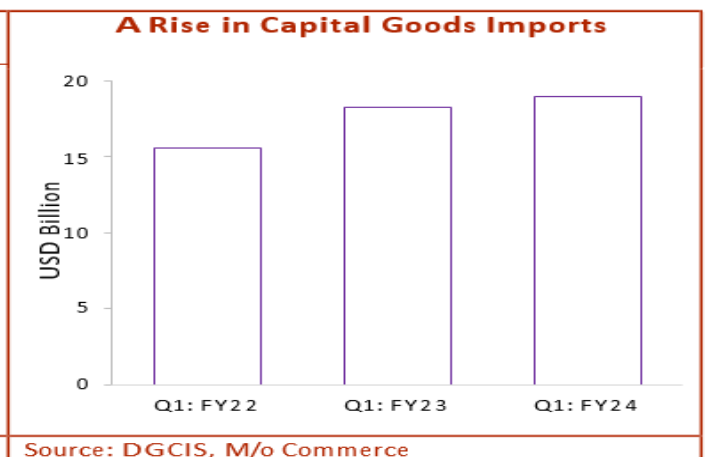
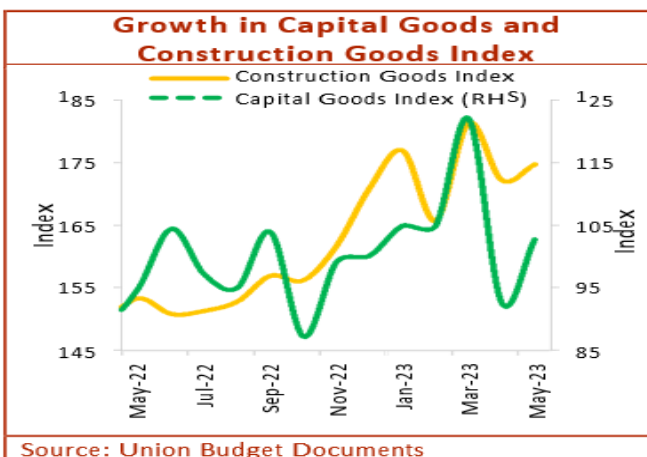
Realizing the importance of private investment in accelerating economic growth, the Government has been making various attempts to raise investment by the private sector. The Production-Linked Incentive (PLI) scheme is providing capital expenditure-linked incentives to 14 key sectors. The PM Gatishakti scheme, coupled with the National Infrastructure Pipeline (NIP), is expected to encourage private-sector participation in creating new infrastructure and help in onboarding major private-sector infrastructure players. Research by CRISIL highlights that the industrial investment by the private sector between FY18 and FY22 registered a CAGR of 7 per cent. This augurs well for still higher growth in the upcoming years.



As per RBI’s Order Books, Inventories and Capacity Utilization Survey, Capacity Utilization (CU) in the manufacturing sector increased for the third successive quarter to 76.3 per cent in Q4 of FY23 from 74.3 per cent recorded in the previous quarter. Bank credit to the infrastructure sector was 1.7 per cent higher in Q1 of FY24, compared to the corresponding period of the previous year, with the most remarkable increase in credit availability to cargo ports and airports. Higher capacity utilization along with double-digit growth in non-food bank credit signals positive intent of the private sector to undertake fresh investment going forward.



Enhanced provision for capital expenditure by the government is now leading to crowding in of private investment, as evident in the performance of various high-frequency indicators and industry reports which highlight the emergence of the green shoots of a private capex upcycle. The recent increase in capital expenditure of the Government is reflected in an increase in Gross Fixed Capital Formation (GFCF). GFCF as per cent of GDP (at Constant Prices) stood at 34 per cent in FY23, the highest since FY14. The increase in GFCF supported India’s GDP growth even during the uncertain global economic scenario. A study by CRISIL showcases that supported by an increase in Government spending; infrastructure capex is expected to register a compound annual growth rate (CAGR) of 11 per cent between FY23 and FY27, 67 per cent higher compared to CAGR between FY18 and FY22.



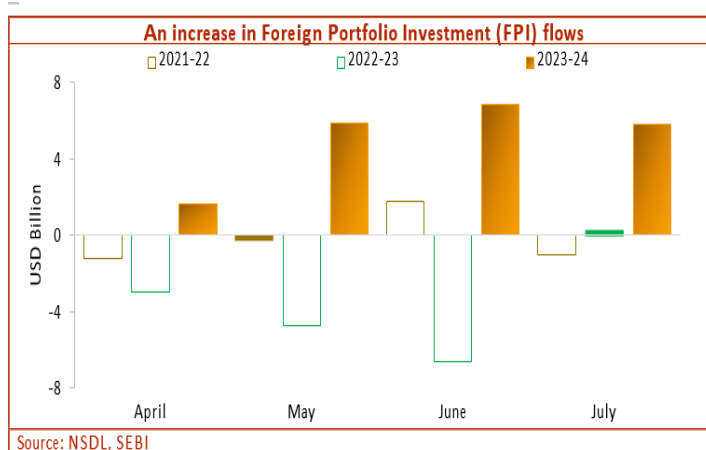
As per the data released in National Accounts Statistics 2021-22, GFCF by the Private sector rose from ₹17.4 lakh crore in FY18 to ₹23.7 lakh crore in FY22. Multiple high-frequency indicators and industry report point towards the emergence of the green shoots of a private capex upcycle. The IIP data shows that the capital goods index and infrastructure/construction goods index saw robust growth of 12.9 per cent and 8.4 per cent, respectively, in FY23.

The indices have carried forward their momentum thus far into FY24 and have grown by 6.5 per cent and 14.5 per cent, respectively, on a cumulative basis till May 2023. Robust investment activity is also evident in the increasing imports of capital goods, which grew by 20.3 per cent in FY23 and are up by 4.2 per cent on a YoY basis in Q1 of FY24.

Human Development

The robustness of India’s economic fundamentals is accompanied by strides made in human development. The recently released National Multidimensional Poverty Index Report by Niti Aayog demonstrates a remarkable decline in the prevalence of multidimensional poverty in India, attributable to the government’s strategic focus on achieving universal access to basic amenities. With the national MPI nearly halving between 2015-16 and 2019-21, India is likely to achieve the SDG Target on multidimensional poverty much ahead of the stipulated timeline of 2030. The results are reinforced by India-related findings in the Global MPI report by UNDP and OPHI. From an economic growth perspective, the 13.5 crore Indians escaping poverty between 2015-16 and 2019-21 and graduating to the middle class will boost the engine of self-sustained growth through consumption, savings, and human capital accumulation.

Foreign Investment

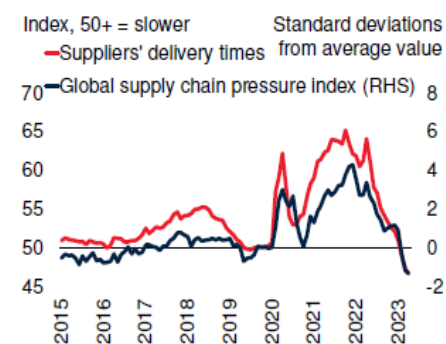


As a result of robust foreign inflows and a decline in imports, India’s foreign exchange reserves have strengthened over the past months and stood at USD 603.9 billion at the end of July 2023, sufficient to provide an import cover of more than 10 months. Persistent geopolitical concerns continue to shadow the world trade growth which is expected to decline to 2 per cent in 2023 from 5.2 per cent in 2022. Yet, India’s external sector has displayed resilience with strong services export growth and robust investment inflows highlighting investors’ confidence in India’s growth story.

Despite the weak global growth forecast, new avenues for India to expand exports can open up

The WEO (July 2023) expressed optimism about inflation coming down faster than expected, allowing for more liquidity through accommodative monetary policy, thereby spurring world demand and, thus, trade. Continued recovery in supply chains can complement this trend. For India, on the supply side, the RBI’s survey of the industrial outlook of the manufacturing sector suggests that it is expected that production, as well as exports, are likely to increase in Q2 of FY24. However, on the demand side, a review of the region-wise global growth forecasts for the year 2023 by the WEO, in light of India’s destination-wise export shares in FY23, suggests that demand for India’s exports is likely to be weaker during 2023 in line with the general forecast of a decline in global growth. However, the decoupling of trade between China and the United States can open up avenues for India to expand exports. (UNCTAD, Global Trade Update, June 2023).

A. Global supply chain pressures



ROAD AHEAD

Going forward, while domestic consumption and investment demand are expected to continue driving growth, global and regional uncertainties and domestic disruptions may keep inflationary pressures elevated for the coming months, warranting greater vigilance by Government and the RBI. Monsoon rains in August have been deficient at the time of writing. The government has already taken pre-emptive measures to restrain food inflation which, along with the arrival of fresh stock, is likely to subside price pressure in the market soon.

In the time to come, the PLI and new-age sectors (such as green hydrogen, semiconductors, wearables and solar modules) are expected to account for nearly 17 per cent of the capex between FY13 and FY27. The healthy balance sheet of the private sector, with increased capex by the government, is anticipated to increase the opportunities for the private sector to participate in myriad infrastructure initiatives such as highways, construction of new roads, housing, and drinking water projects, among others. The capacity utilization in the manufacturing sector is now above its long-run average, signaling the need for additional capacity creation as demand sustains the domestic economy. A pick-up in capex expenditure has ensured that infrastructure-linked sectors, such as roads, railways, telecom etc., have seen a jump in the disbursement of bank credit. Further, government has been opening up new avenues for private sector to participate and contribute further to growth.

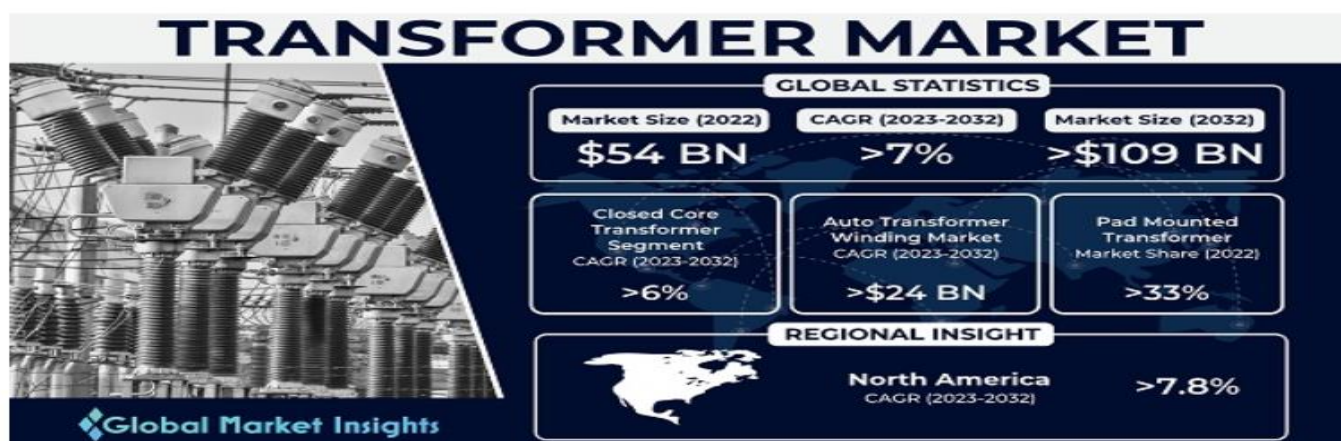
The external sector requires monitoring for further strengthening the prospects in the face of active pursuit of industrial policies globally. Services exports continue to do well and are likely to continue doing so as the preference for remote working remains unabated, typically manifested in the proliferation of Global Capability Centers. At the same time, from a medium-term perspective, it is important to monitor the impact of new technologies, such as Artificial Intelligence, on the external demand for Indian services exports and the consequent impact on employment.

Source- https://dea.gov.in/sites/default/files/Monthly%20Economic%20Review%20July%202023_1.pdf - *Monthly Economic Review, July 2023*

GLOBAL TRANSFORMER MARKET

Transformer Industry Analysis

Transformer Market size is valued at USD 54 billion in 2022 and is anticipated to grow at a CAGR of 7.2% between 2023 and 2032. Large scale integration of renewable energy sources coupled with increasing electrification programs primarily across the emerging economies will accelerate the industry scenario.



Favorable government policies for refurbishment of existing grid infrastructure along with growing consumer focus toward smart monitoring units and sustainable electricity networks will further drive the business growth. Increasing regulatory focus toward integration of energy efficient electricity supply systems in line with rapid adoption of smart grid technology will positively influence the industry dynamics.

Expanding urban infrastructure to proliferate product demand for commercial & industrial applications

Power transformer market from the commercial & industrial applications segment is expected to exhibit nearly 7% growth rate between 2023 and 2032. Transformers are a critical component in electrical systems distribution for commercial buildings as they efficiently modify voltage levels to deliver electrical loads based on their voltage requirements. The expanding commercial infrastructure supported by accelerating urbanization and rapid industrial growth will enhance segment share.

Novel innovations to stimulate the competitive landscape

Top companies operating in the global power transformer market are General Electric, Toshiba Energy Systems & Solutions Corporation, Hyosung Heavy Industries, Hyundai Electric & Energy Systems Co., Ltd., Schneider Electric, Mitsubishi Electric Corporation, WEG, CG Power & Industrial Solutions Ltd., Celme S.r.l, Kirloskar Electric Company, Daihen Corporation, Siemens Energy, Hammond Power Solutions, Bharat Heavy Electricals Limited, Grupo Comtrafo, Pfiffner Group, JSHP Transformer, Hitachi Energy Ltd., Hangzhou Qiantang River Electric Group Co., Ltd.(QRE), YueBian Electric Co., Ltd., and Bharat Bijlee Limited.

These leaders have been undertaking several R&D initiatives to offer efficient and reliable solutions and improve the existing transformer technology. For instance, in January 2022, General Electric launched a range of power transformers that support renewable energy. Transformers such as GE- Mistral-14, 275 KV to 400 kV, two 340 MVA large power transformers, and MBH Power are installed in numerous wind farm projects across several countries. The wide range of GE power transformers with different voltage levels finds applications in power generation, transmission, and distribution.

SOURCE- (<https://www.gminsights.com/industry-analysis/transformer-market>)

POWER SECTOR

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



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

- India is the third-largest producer and consumer of electricity worldwide, with an installed power capacity of 416.59 GW as of April 30, 2023.
- As of April 30, 2023, India's installed renewable energy capacity (including hydro) stood at 172.54 GW, representing 41.4% of the overall installed power capacity. Solar energy

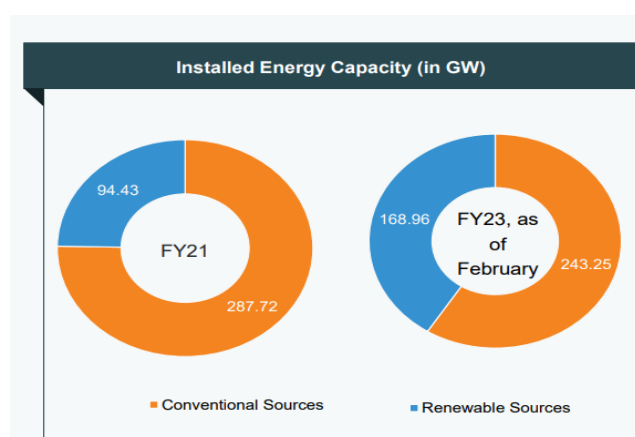
contributed 67.07 GW, followed by 42.86 GW from wind power, 10.24 GW from biomass, 4.94 GW from small hydropower, 0.55 from waste to energy, and 46.85 GW from hydropower.

- The non-hydro renewable energy capacity addition stood at 4.2 GW for the first three months of FY23 against 2.6 GW for the first three months of FY22.
- India's power generation witnessed its highest growth rate in over 30 years in FY23. Power generation in India increased by 8.87% to 1,624.15 billion kilowatt-hours (kWh) in FY23.
- According to data from the Ministry of Power, India's power consumption stood at 130.57 BU in April, 2023.
- The peak power demand in the country stood at 226.87 GW in April, 2023.
- The coal plants registered a PLF of 73.7% for the first nine-months period in FY23 compared to 68.5% in FY22 for the same period.
- Thermal power plant load is estimated to improve by 63% in FY24, fuelled by strong demand growth along with subdued capacity addition in the sector

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

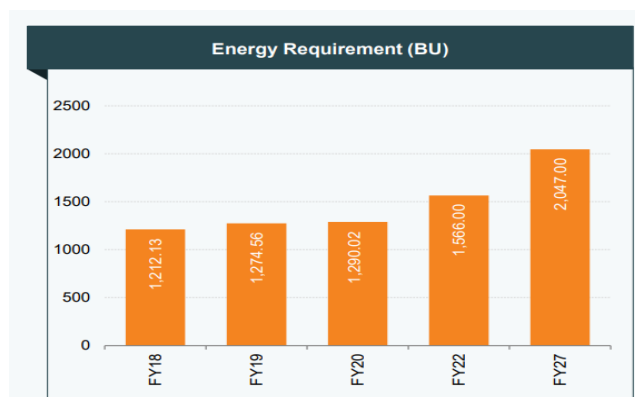
Capacity augmentation boosts demand

- India's power generation target is estimated to be 1,750 BUs in FY24, up from 1,624.15 BUs of actual generation in FY23.
- The growing energy requirement will require enhancement of installed power capacity.
- Industrial sector is the largest consumer of energy consuming about 50% of the total commercial energy produced in the country followed by the transport sector.



ATTRACTIVE OPPORTUNITIES

- In Union Budget 2023-24, the government allocated US\$ 885 million (Rs. 7,327 crore) for the solar power sector including grid, off-grid, and PM-KUSUM projects.
- To meet India's 500 GW renewable energy target and tackle the annual issue of coal demand supply mismatch, the Ministry of Power has identified 81 thermal units which will replace coal with renewable energy generation by 2026.



POLICY SUPPORT

- 100% FDI allowed in the power sector has boosted FDI inflow in this sector.
- Schemes such as Deen Dayal Upadhyay Gram Jyoti Yojana (DDUGJY) and Integrated Power Development Scheme (IPDS) are expected to augment electrification across the country.

HIGHER INVESTMENTS

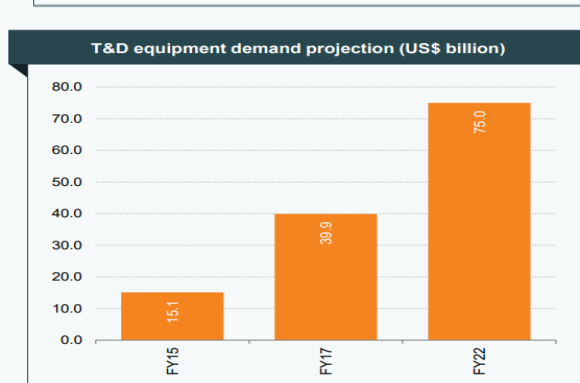
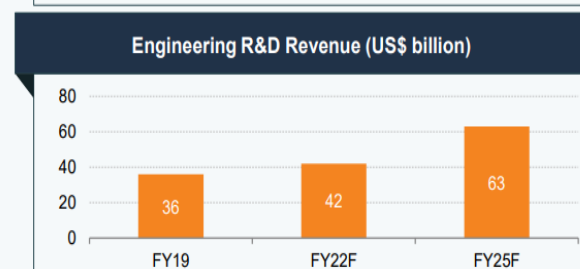
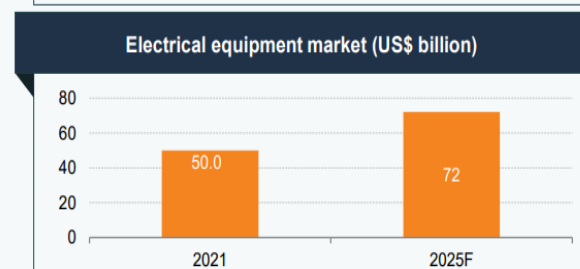
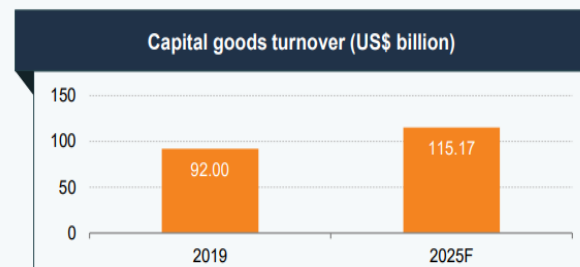
As per the National Infrastructure Pipeline 2019-25, energy sector projects accounted for the highest share (24%) out of the total expected capital expenditure of US\$ 1.4 trillion (Rs. 111 lakh crore).

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

INDIAN CAPITAL GOODS INDUSTRY

India's Capital Goods manufacturing industry serves as a strong base for its engagement across sectors such as Engineering, Construction, Infrastructure and Consumer goods, amongst others.

- It accounts for 27% of the total factories in the industrial sector and represents 63% of the overall foreign collaborations.
- Capital Goods sector contributes to 12% of India's manufacturing output and 1.8% to GDP.
- Market valuation of the capital goods industry was US\$ 43.2 billion in FY22.
- Indian Electrical equipment is the largest sub-sector followed by Plant equipment & Earth moving/ mining machinery
- The electrical equipment market share in India is expected to increase by US\$ 33.74 billion from 2021 to 2025, and the market's growth momentum will accelerate at a CAGR of 9%.
- Domestic electrical equipment market is expected to grow at an annual rate of 12% to reach US\$ 72 billion by 2025.
- The electrical equipment market share in India is expected to increase by US\$ 33.74 billion from 2021-25 at a CAGR of 9%.
- The Indian electrical equipment industry comprises of two broad segments, Generation equipment (boilers, turbines, generators) and Transmission & Distribution (T&D) and allied equipment like transformers, cables, transmission lines, etc.
- The sector contributes about 8% to the manufacturing sector in terms of value, and 1.5% to overall GDP.
- Incentives for capacity addition in power generation will further increase the demand for electrical machinery
- In FY23, the exports of engineering goods from India have been estimated to stand at US\$ 107.04 billion.
- Investment in engineering R&D sector is expected to reach US\$ 63 billion by 2025.
- The Government's 'Vision Plan 2030' proposed an action plan to become a manufacturing and export hub for construction equipment and propel the development of world-class infrastructure in the country.



Strong policy support crucial for the sector

- **Make in India**

Shri Dharmendra Pradhan, Minister of Skill Development and Entrepreneurship and Education, said growth of capital goods sector is correlated to the success of Make in India program.

- **Special Economic Zones (SEZs)**

- The government approved 15 SEZs for the engineering sector, & electrical machinery is a part of the sector.
- The Delhi Mumbai Industrial Corridor (DMIC) is being developed across seven states and is expected to bolster the sector.

- **Tariffs and custom duties**

In budget 2023, customs duty exemption is being provided to import of specified capital goods and machinery required for manufacture of lithium-ion cells for batteries used in electric vehicles and mobile handsets.

- **De-licensing**

The electrical machinery industry has been de-licensed, along with 100% FDI allowed in this sector. This has facilitated the entry of major global players into the electrical machinery industry in India.

- **Budgetary support**

Under the Union Budget 2023-24, Government has committed an outlay of Rs. 10 lakh crore (US\$ 120 billion) towards infrastructure capital expenditure compared to Rs. 7.5 lakh crore (US\$ 90 billion) (BE) during 2022–23, which is a 33% year-on-year increase.

Source- (https://www.ibef.org/download/1690790660_Engineering-and-Capital-Goods-May-2023.pdf)

Transformer Industry in India

The Indian transformer industry is more than five decades old, hence mature. Domestic manufacturers have developed capabilities to manufacture all types of equipment to meet the country's demand for transformers up to 800 Kilovolts (kV) and going up to 1,200 kV. The industry enjoys a good reputation in terms of quality, price, and delivery in the domestic as well as overseas markets.

India's transformer market is predominantly unorganized with many small participants catering to the smaller distribution transformer markets. However, many are slowly graduating to the medium-sized category, thus expanding the organized participants' base.

There are approximately 300+ transformer companies in India, with an overall installed capacity of over 370,000 Megavolt Amperes, (MVA) per annum. The market is fragmented with 20 organized players including Bharat Heavy Electricals Limited (BHEL), ABB Ltd, Crompton Greaves Ltd (CGL), Areva T&D, EMCO Ltd, Bharat Bijlee Ltd (BBL), Vijai Electricals, Transformers and Rectifiers India Limited (TRIL), Voltamp Transformers Ltd, among others.

In the power transformers category, companies in the high-end segment (400 kV and above) mainly include international players such as ABB Ltd, Alstom T&D (erstwhile Areva T&D India), and Siemens; and Indian manufacturers such as BHEL, CGL, TRIL, and Toshiba Transmission & Distribution Systems India (Entity formed by acquisition of Vijai Electricals by Toshiba Corporation, Japan). Majority of other companies in this sector are present in the 220 kV segment in power and distribution transformers. Leading players have significant presence in both power and distribution transformer market.

Apart from catering to domestic demand, India exports transformers to over 100 nations including the US, Europe, Malaysia, Singapore, Bangladesh, African countries, and Gulf countries. India is also an importer of transformers; the major source countries include China, Germany, USA, Korea, and Japan.

Indian Transformer Market Size

The Transformer market in India can be pegged at more than INR 12,000 Crores. Power Transformers contribute 45 percent of the total market and distribution transformers, 55 percent. Over the last two years, the market has grown at a very moderate rate at less than 4 percent, due to the slowdown of power generation capacity addition and T&D infrastructure expansion.

Anticipating the huge domestic (due to a power deficit scenario, requirement of power sector expansion) and overseas demand, the transformer industry in India has more than doubled its manufacturing capacity over the last five years. Transformer manufacturing capacity in India stands at ~370 GVA with capacity utilization rates hovering around 60-70 percent on an average over the last 5 years. Transformer over-capacity in the Indian market has led to immense pricing pressure scenario severely impacting the profitability of the market players.

New Entrants

India's huge power shortage, need to ramp up power T&D infrastructure, economic slowdown of developed markets like Europe and North America and excess transformer manufacturing capacity in China has resulted in India being an attractive destination for transformer companies globally to tap the Indian market opportunity.

Market Drivers

Power Generation Capacity augmentation and Power T&D infrastructure expansion to be in-line with Power generation capacity addition. According to the 12th plan, INR 1200K-1300K Crores likely to be invested in the power sector. This spending on the power sector is expected to be equally distributed between generation and T&D. Spending on Power T&D infrastructure is expected to boost demand for transformers.

Rajiv Gandhi Grameen Vidyutikaran Yojna (RGGVY) scheme to improve rural electricity infrastructure and rural household electrification. The electrification drive is expected to provide impetus to demand for distribution transformers.

Increasing focus on Rural Electrification Accelerated Power Development and Reform Program (APDRP 1-2) in order to minimize Aggregate Technical and Commercial (AT&C) losses at the distribution level and improve the financial health of the State Electricity Boards (SEBs)

Market Challenges

Inadequate supply of prime quality Cold Rolled Grain Oriented (CRGO) steel is the biggest challenge faced by transformer manufacturers in the country. CRGO requirement is completely met through imports; it is in fact challenging to assess the true quality of the material that is used by the transformer manufacturers in India. India needs 2.5 lakh tons of CRGO every year and an appalling 70 percent of this is scrap grade material.

Failure rate of Transformers – High failure rate of distribution transformers, is a big concern for the transformer industry in India. The average operational life of a transformer is between 25 to 30 years; however, transformers are known to be recalled for repair in as early as three years. The failure rate of distribution transformers in India is estimated at 10-15 percent (in stark contrast to the less than 2 percent failure rate in developing countries). This is due to the low entry barriers in the distribution transformer market leading to unorganized players entering the market, and competing on the price factor. SEBs historically follow a L1 vendor selection criteria, which has led to proliferation of many small players, that compromise on the quality of transformers manufactured.

Financial Condition of SEBs – SEBs have been facing losses due to the supply of subsidized power to agricultural farmers, theft of power, and inefficient T&D infrastructure. This has restricted private investment in the power T&D

sector, thereby reducing the quality of service from SEBs. This, in turn, is affecting the capacity building program and transmission of power.

Lack of testing facilities – The growth in testing infrastructure has not kept pace with that of production, both, quantitatively and qualitatively. Testing infrastructure available at India's premier agency, the Central Power Research Institute (CPRI) is proving short of demand. Manufacturers of large power transformers at times need to send their equipment for testing to overseas facilities like Korea Electrotechnology Research Institute (KERI) and KEMA which is expensive. Apart from this, huge logistical costs and lead times are also involved.

Way Forward

The Indian power and distribution transformer markets are highly dependent on investments planned by the Government of India for the T&D segment and reform programmes like the Revised Accelerated Power Development and Reform Program and Rajiv Gandhi Grameen Vidyutikaran Yojna. These programmes, when fully implemented as scheduled, are expected to drive the demand for both power and distribution transformers.

The Government of India currently plans to strengthen transmission lines and create a National Grid interconnecting the five regions (northern, southern, eastern, western and north-eastern) through the creation of 'Transmission Super Highways' this is expected to drive the demand for higher-rated power transformers. With T&D companies actively striving to reduce Aggregate Technical and Commercial (AT&C) losses, the demand for energy-efficient transformers would get a boost.

With huge investments proposed across sectors such as power, infrastructure, etc., the transformers market in India is slated for strong growth. The excess capacity in the Transformer industry in India, and entry of new players is further expected to increase market competitiveness. Market consolidation over the next few years is inevitable.

Source- (<https://www.electricalindia.in/on-a-threshold-of-transformation-indias-transformer-industry/>)

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OUR BUSINESS

Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. Before deciding to invest in the Equity Shares, Shareholders should read this entire Prospectus. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with investment in the Equity Shares, you should read “Risk Factors” on page 24 for a discussion of the risks and uncertainties related to those statements, as well as “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 182, 246 respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Unless otherwise stated, the financial information used in this section is derived from our Restated Financial Statements.

COMPANY OVERVIEW

Our Company was incorporated as a private limited company with the name of “Supreme Power Equipment Private Limited” under the Companies Act, 1956 vide certificate of incorporation dated June 21, 2005, issued by Registrar of Companies, Chennai, bearing CIN U31200TN2005PTC056666. Further, our company was converted into a Public Limited Company in pursuance of a special resolution passed by the members of our Company at the Extra Ordinary General Meeting held on August 31, 2023 & name of our Company changed from Supreme Power Equipment Private Limited to Supreme Power Equipment Limited & Registrar of Companies, Chennai has issued a new certificate of incorporation consequent upon conversion dated September 18 2023, bearing CIN U31200TN2005PLC056666.

BUSINESS OVERVIEW

Our Company is currently engaged in the areas of manufacturing, up-gradation, and refurbishment of transformers ranging from Power Transformer, Generator Transformer, Windmill Transformer, Distribution Transformer, Isolation Transformer, Solar Transformer, Energy Efficient Transformer, Converter and Rectifier Transformer.

INDUSTRY WE CATER

- Power Transformers are used across various sectors and industries to facilitate the efficient transmission and distribution of electrical power.
- Generator transformers are specialized transformers used primarily in the power generation sector, particularly in power plants and large-scale industrial facilities.
- Windmill transformers, often referred to as wind turbine transformers or wind farm transformers, are specialized transformers used in the wind energy sector. These transformers serve important functions in the generation and distribution of electricity from wind turbines.
- Distribution transformers are essential components in the electrical power sector, residential sector, commercial sector,
- Solar transformers, play a crucial role in the solar energy sector by transmission of power.

QUALITY ASSURANCE

We are an ISO 9001:2015 company, in the area of Design, Manufacture, Services and Supply of Transformer. Our company also has ISO 14001:2015 certificate in the area of Design, Manufacture, Services and Supply of Transformers. Also, the Company is ISO 45001:2018 certified in the area of Design, Manufacture, Services and

Supply of Transformers. Supreme Power Equipment Limited has its Quality Management System certified by TUV/QACS. CPRI (“Central Power Research Institute”) has type tested our transformers upto 25MVA/110kV Voltage Class.

Right from manufacturing to distribution, we have consistently delivered competitive edge in the form of robust, foresighted, and quality products.

VISION: We aim for 100% delivery performance on a continual basis. Work towards achieving nil rejection at customer end.

MISSION: We at Supreme Power Equipment Limited strives to achieve Customer Satisfaction through providing quality products and effectiveness of the quality management system.

ABOUT OUR PROMOTERS

Mr. VEE RAJMOHAN

Vee Rajmohan: The Managing Director i.e., Mr. Vee. Rajmohan has completed his Intermediate and enrolled for Bachelor of Engineering as his undergraduate program and having more than Three Decades experience is expertised in the commercial and technical sectors. Mr. Rajmohan has started his carrier from M/s. Venuss Herbo Aromatics Private Limited, Rajapalayam, Tamilnadu as Works Manager in the year 1990 and was in charge for the unit from construction to dispatch. His work area comprises of designing, extraction, erection of machineries and testing equipments till commissioning of the same was done by him. He with his field knowledge commenced the commercial operation of the unit. He has associated with M/s. Venuss Herbo Aromatics Private Limited until 2001. Thereafter, he established a Partnership Firm in the name and style of SUPREME POWER EQUIPMENTS in the year of 2001 catering to the Distribution Transformer requirements to cater our Local Electric Utility i.e., Tamilnadu Electricity Board.

In 2005, the partnership firm i.e., SUPREME POWER EQUIPMENTS was reconstituted as a private limited with facilities in all the sectors raised to manufacture and test Power and Distribution transformers upto 25MVA/132KV class under the name of SUPREME POWER EQUIPMENT PRIVATE LIMITED (SPEL). Since then, he was responsible for smooth operation of the Company and currently serving as Managing Director of the Company.

MR. K V PRADEEP KUMAR

K V Pradeep Kumar: Mr. K.V. Pradeep whole time director of the Company has completed his Intermediate and completed Bachelor of Engineering as his undergraduate program and having experience of more than three decades in the field of Transformer Manufacturing and he is a Technocrat with a technical expertise in all the segments. His carrier was started from M/s. Indotech Transformers Limited (PROLEC GE), Chennai as Trainee Engineer (Quality Assurance) in the year 1991. In the year of 1997, he was promoted as Head – Quality Assurance to oversee design, production and testing of 100MVA/230KV class transformers. He, along with Mr. Vee Rajmohan established the partnership firm i.e., SUPREME POWER EQUIPMENTS. He is expertised in the Technical Specification of special type transformers such as Windmill and Inverter Duty Transformers involving Critical Design aspects to be adopted in the manufacture of these transformers. He developed the design and supplied a huge quantum of the same to almost all windmills and solar plants. Since then, he has been associated with the Company and is currently serving as whole time director.

OUR PRODUCT PORTFOLIO

We have wide range of products, the details of which are as follows:

POWER TRANSFORMER

Power transformers are vital components in electrical power systems, serving several crucial functions to ensure transmission, and distribution of electrical energy.



- Used in Substations (110kV, 66kV, 33kV, 22kV, 11kV) to transmit power at high voltage.
- Supplied 25MVA 110/33-22kV, 16 MVA 110/33kV, 10MVA 110/33kV, 16MVA 33/11KV and 8 MVA 33/11kV.
- Supplied transformers to Electricity Board and Utilities.
- Type tested transformers up to 25MVA 110kV at CPRI Bangalore.

GENERATOR TRANSFORMER

Generator transformers are vital components in power generation plants, ensuring that electricity generated by various sources is efficiently transformed and transmitted to the electrical grid.



- Step up Generator voltage (3.3 kV /6.6 kV /11 kV)
- Supplied Generator Transformers for Hydro Electric Power Projects across India.

WINDMILL TRANSFORMER

Windmill transformers play a vital role in ensuring that electricity generated by wind turbines is efficiently transformed and integrated into the electrical grid, contributing to the growth of renewable energy and the reduction of greenhouse gas emissions.



- Step up Generator voltage from Wind Turbine Generator voltage of (690V/433V) to substation High Voltage (11kV/22kV/33kV).
- Supplied transformers for windmill generators of various capacities from 315kVA to 2.25 MVA across India.

DISTRIBUTION TRANSFORMER AND ENERGY EFFICIENT TRANSFORMER

Distribution transformers are vital components in the electrical distribution system, ensuring that electrical power is delivered safely, efficiently, and reliably to homes, businesses, and industries. Also, Energy-efficient transformers are designed to minimize energy losses used for transmission and distribution of electrical power. They offer several benefits, including improved efficiency, lower operating costs, and a smaller environmental footprint.



- Step down to distribution voltage (433V) For end user consumption.
- Supplied more than 10,000 numbers of Distribution Transformation.
- 100kVA to 500 kVA of voltages from 11kv to 33kv confirming to BEE/CEA guidelines and BIS.

SOLAR TRANSFORMERS

Solar transformers are critical components in solar energy systems. Their role in ensuring compatibility with the grid is essential for the widespread adoption of solar energy in residential, commercial, industrial, and utility-scale applications.



- For Solar Energy Projects.
- From 800V/630V/400V/370V/350V to 22/33kV.
- Three winding, Four winding and Five winding.
- Electrostatic Shield for harmonic suppression.

FURNACE TRANSFORMERS

Furnace Transformers are specialized devices that facilitate the conversion of electrical power between different voltage levels.



- Requires a unique design for suppressing the harmonics generated during the operation to withstand the rated load.

TANKS & ACCESSORIES TRANSFORMERS

Oil Cooled Transformers are designed to be housed inside metallic tanks which are structurally robust enough to withstand full vacuum during processing of concentrated point loads of lifting, hauling, jacking etc. Transformer tank is fabricated to accommodate inclusion of accessories such as Radiators, Bushings, Tap changers, Valves, Thermometer pockets, Marshalling box, Pressure release valves, Explosion vent, Oil gauges, Rollers, Cable box etc.

OUR BUSINESS PROCESS:

Our majority of business take place from participating in government tenders. In addition to this, we also receive orders from private entities or parties who are in need of transformers. The process of securing business through government tenders and from private entities or parties are distinct and can be described as follows:

- **BIDDING PROCESS FOR GOVERNMENT TENDERS:**
 1. **Publication of Tender Announcement:** The tender announcement is prominently featured on the official website i.e., <https://tntenders.gov.in/nicgep/app>, of our local electric utility - TANGEDCO / TANTRANSCO serving as the primary avenue for disseminating crucial information related to the procurement process.
 2. **Internal Deliberation and Evaluation:** Prior to committing to participation, a rigorous internal deliberation process is initiated. This involves a comprehensive evaluation of the organization's capacity, resources, and alignment with the tender's specific requirements.
 3. **Pre-Bid Qualification Criteria:** The tender imposes specific pre-bid qualification criteria:
 - a. **BIS License Compliance:** Prospective bidders are mandated to possess a valid license from the Bureau of Indian Standards (B.I.S.), a governmental authority, ensuring their ability to supply distribution transformers that conform to IS : 1180 (Part - I).

b. **Actual Manufacturer Status:** A fundamental requirement is that bidders must establish their status as actual manufacturers of Distribution Transformers. Substantiating documentation, such as Udyam Registration Certificates, is obligatory.

c. **Track Record of Supply:** Bidders must demonstrate a track record of supplying a minimum specified quantity of the specified transformer capacity, encompassing higher KVA capacity and higher KV rating, to entities such as State Electricity Boards, Power Utilities, TANGEDCO, TANTRANSOCO, or TNEB, over the preceding ten years.

d. **Financial Viability:** Bidders are expected to furnish evidence of financial viability, with an annual turnover exceeding a specified amount during any one of the preceding three financial years. Such evidence may consist of attested copies of Audited Financial Statements along with Chartered Accountant Certificate.

e. **Test Reports from Accredited Labs:** Comprehensive attested copies of Type Test reports and special test reports, procured from independent, NABL-accredited laboratories like CPRI, ERDA, among others, are mandatory for the specified capacity of distribution transformers.

4. **Bid Submission Post Pre-Bid Compliance:** Once all the stipulated pre-bid requirements are satisfied, the organization is primed to initiate the bid submission process. This entails crafting and submitting a comprehensive bid package, inclusive of all requisite documents, qualifications, and information specified by the tendering authority.

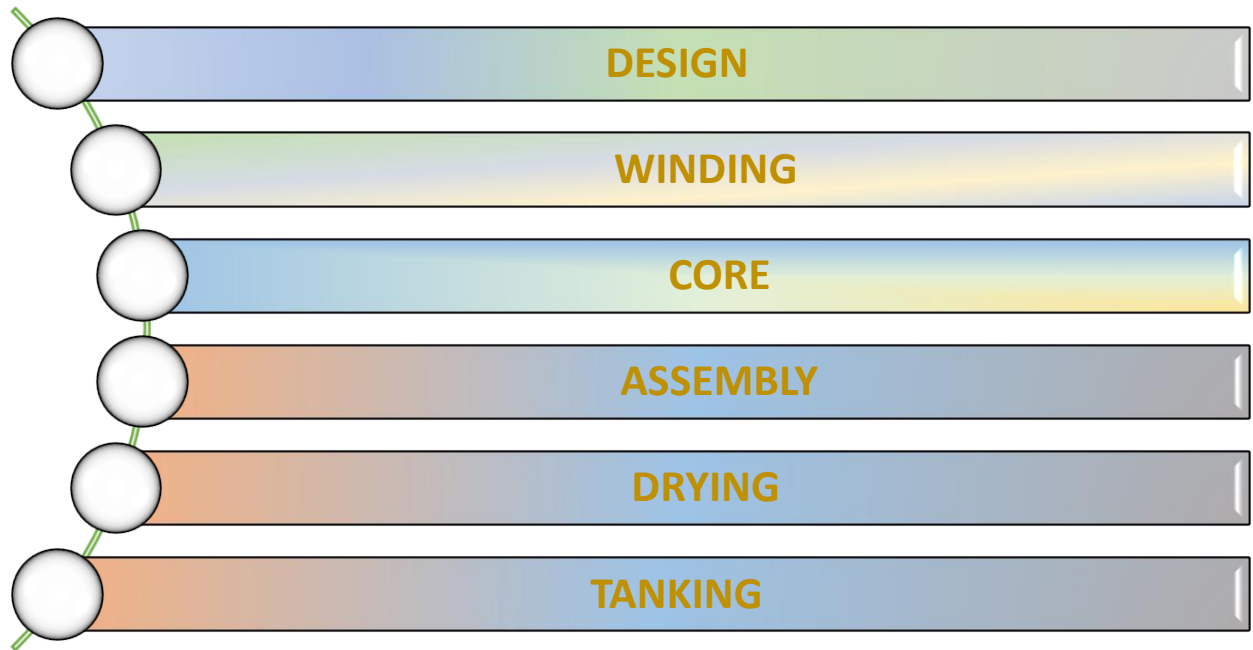
Thorough adherence to the tender notice's particulars, observance of stipulated deadlines, and scrupulous compliance with submission guidelines are paramount in ensuring a successful bid.

- **ORDERS FROM PRIVATE ENTITIES OR PARTIES:**

1. **Initial Inquiry:** Customers send initial inquiries to the company's marketing department specifying a brief overview of their requirements.
2. **Request for Quotation:** After initial inquiries and discussion, they submit a formal Request for Quotation (RFQ). The RFQ includes detailed specifications of the transformers, quantity, delivery timelines, and any other relevant details.
3. **Evaluation of Proposal:** Customers review the proposals or quotations as provided by us.
4. **Place an Order:** After considering factors such as pricing, delivery time, quality standards, company's reputation and after being satisfied they place order in accordance with the agreed-upon terms and conditions.
5. **Quality Assurance:** During the manufacturing process, customers maintain open communication with the company to ensure that the transformers are being built to your specifications and quality standards.
6. **Delivery and Installation:** After manufacturing, delivery and installation of transformers is being done by coordinating with customers and in accordance with the agreed-upon schedule.

OUR MANUFACTURING PROCESS

Our manufacturing process for transformers is as follows:



1. **Design:** Design is centre to operations at Supreme Power. Qualified designers evaluate the requirements and generate Transformer designs to comply with the individual needs of the customer. Design department also does review, verification and validation of its designs periodically.
2. **Core:** Core lies at the heart of transformer design in terms of electrical, mechanical and thermal point of view. Supreme uses a wide range of high quality CRGO steel laminations. The core critically determines factors such as iron losses, vibration, sound levels and firm of stability. Hence much care is taken during stacking of laminations.
3. **Winding:** The windings must be electrically and mechanically strong to withstand over voltages under transient surges and mechanical stress during short circuit. Different type of windings manufactured in Supreme are Cross over winding, Spiral Winding, Helical Winding, Continuous Disc winding and Interleaved Disc Winding. Choice of winding is largely determined by voltage of the winding. Work is carried out in environment where necessary precaution is taken to avoid contamination. Electrical Grade copper with high conductivity is used for windings. Special kraft paper with high dielectric strength is used for Winding insulation.
4. **Assembly:** The presence of moisture in insulation materials like paper and press boards brings about a reduction in the dielectric strength of the material. Drying process is carried out to remove all moisture absorbed in paper and press boards. Drying is carried out in two stages before core assembly and before tanking to ensure complete removal of moisture.
5. **Drying:** The drying process in transformer manufacturing is a critical step to ensure the long-term reliability and performance of transformers, particularly power transformers. This process primarily focuses on the removal of moisture or humidity from various components within the transformer. Moisture can lead to insulation breakdown, reduced dielectric strength, and a higher risk of electrical failures.
6. **Tanking:** The tanking process in transformer manufacturing is a crucial step in constructing the enclosure that houses the core, coils, and insulation components of the transformer. This process involves the assembly

of the tank and its associated accessories, ultimately providing a secure and protective housing for the transformer's critical components. The tank's design varies based on the transformer's size, type, and intended application. It must be robust enough to withstand the transformer's weight and provide protection against environmental factors such as moisture, dust, and corrosive agents.

RAW MATERIAL

Our company acquires raw materials from suppliers based in India without having specific contracts in place. The company places a strong emphasis on ensuring the quality and timely delivery of goods to its clients, leading to a diverse list of suppliers for raw materials. Our company maintains flexibility by not being tied to any specific supplier, and its list of suppliers is subject to change based on factors such as product availability, pricing, and logistics. It is to be noted that no formal agreements have not been established with the following suppliers, allowing the company to adapt to changing circumstances in the procurement process.

List of Raw Materials:

| Sr. No. | Name of Raw Material | Usage |
|---------|-------------------------|--|
| 1. | Press Board | Electrical Insulating materials in Power, Distribution and Auto Transformers. Boards are obtain good dimensional stability, excellent mechanical strength in copper coil and di-electric strength. (i.e., Strips, Spacers, Cylinder, Washers and Blocks). |
| 2. | CRGO | Cold Rolled Grain Oriented Silicon Steel (CRGO) main application of CRGO Silicon Steel as Transformer core. It has High Magnetic Permeability leads to low excitation current and Low induction. Magnetic Flux passing through the core and converted into EMF |
| 3. | Copper | Copper major roll in the Transformer. For It's excellent electrical conductivity and suitable as a conductor. This is ensure efficient energy transfer with minimal losses. It is low resistance and reduce heat generation during transformer Operation. |
| 4. | Core Clamp | To build the CRGO Core and assemble the copper coil using MS Core Clamp and tightening the core to avoid the core vibration. |
| 5. | Metal Parts: | It is an electrical conductor to pass the electric power safely with the Help of bushing insulator and avoid conductivity between tank and inside Active part. |
| 6. | Connection Copper | It is a multistand copper conductor to use connection between coil leads To OLTC / OCTC. |
| 7. | OLTC / OCTC : | OLTC – <i>On Load Tap Changer</i> is used to change the winding tap in Electrical load condition whenever required the power fluctuation Like pick hour period. OCTC – <i>Off Circuit Tap changer</i> is used to change the winding tap in electrical off load condition. |
| 8. | HV Bushing & LV Bushing | The bushings on the transformer are used to carry the power out source in high or low voltage condition and to provide as insulation Between the tank and lead lines also prevent any short circuit |
| 9. | Valves | It is used to transformer pipe line to control oil and drain the oil when it's required. |
| 10. | Radiator | It is used to cooling the transformer and oil circulation is the Transformer tank with help of cooling fans. |
| 11. | CT | Current transformer is used to measure the current in the load Circuit and preventing damage to sensitive equipment. |
| 12. | Hardware & Gasket | To use the fastners and gasket to tightening the tank and all the Accessories and maintain the oil leak and pressure in the Tank. |
| 13. | Oil | Transformer Oil is known as electrical insulating oil and its Reduced the temperature and arcing and corona distance. |
| 14. | MS Tank | Passive part in the transformer, its made up of MS material accumulate Transformer active parts. |
| 15. | Aircel Bag | To reduces condensation and oxidation inside the transformers and Suppresses gas bubble formation in the transformer oil. |
| 16. | Fan & Pumps for Cooling | To reduce the Oil Temperature the pump will circulate the oil from Tank to Radiator and Fan will act as a heat reducer. |

| | | |
|-----|--------------------|---|
| 17. | Marshalling Box | To control all the monitoring and tripping devices like OTI, WTI, PRV, Buchholz Relay, Cooling Fan, MOG etc. |
| 18. | RTCC | Remote Tap Changer Control is to change the winding tapping is The OLTC in control room based on Remote sensing devices like RWTI, ROTI, AVR, Voltmeter, Ammeter. All the trip circuit and Alarm indication like Annunciator etc. |
| 19. | Paint | To avoid the MS material rusting and corrosion with transformer good Aesthetic view and long life span paints are used. |
| 20. | Terminal Connector | HV / LV Bushing line out to connect the power load, this terminal Connectors are used. |

ORDER BOOK:

| P.O. No. & Date. | Customer Name | Item Description | Qty. (Nos.) | P.O. Price (Lakh) |
|--|--|---|-------------|-------------------|
| DPCCL/SPEL/O/P-ORDER/02/02-005/22 dated 02.02.2022 | Dynamic Power Construction Company Limited | 20000KVA,33/11KV with NIFPS of CTR MAKE | 1 | 192.95 |
| 570 dated 14.02.2023 | Essargee Mills (RE) | 2500KVA, 22KV/433V OLTC | 1 | 38.20 |
| PO TR NO. 3194 DATED 27.03.2023 | TANTRANSCO | 16000KVA/110KV | 6 | 1,072.80 |
| SAEW/MFG/PO:645/22-23 DATED 27.03.2023 | Shree Abirami Engineering Works | 16000KVA/110KV | 3 | 1,014.00 |
| 54/IVLR HO/23-24 DATED 03.05.2023 | Vetri Cinemas (RE) | 1000KVA,11KV/433V OLTC | 1 | 19.65 |
| P23240006 dated 16.05.2023 | Excel Engineers (SBDM) | 1250KVA,11KV/433V OLTC | 1 | 22.80 |
| RCW/SLR - 23 - 24/011 dated 19-05-2023 | RC Wind Powers LLP (RE) | 7000KVA,22KV/690-690V OLTC | 1 | 64.98 |
| RCW/SLR - 23 - 24/011 dated 19-05-2023 | RC Wind Powers LLP (RE) | 3500KVA,22KV/690V OLTC | 1 | 39.15 |
| SBDM/SPEPL//08-01/CEPL/026/2023-24 dated 10.06.2023 | Cape Electric Private Limited (SBDM) | 315KVA, 11KV/433V OLTC | 1 | 11.50 |
| P.O. DATED 05.07.2023 | Lakshmi Elektrikals (RE) | 1600KVA,22KV/433V OLTC | 1 | 27.00 |
| SBDM/SPEPL/14-02/SKADFIPL/042/2023-24 DATED 10.07.2023 | SKA Dairy Food India Private Limited (SBDM) | 1600KVA,11KV/433V OLTC | 1 | 25.80 |
| PO/061/2023-24 DATED 12.07.2023 | Remon Solutions Private Limited | 4200KVA,33KV/800V | 2 | 77.00 |
| 303/P&C/PERUNGUDI PUMPHOUSE DATED 11.07.2023 | P&C projects Private Limited | 1250KVA,11KV/433V | 1 | 18.25 |
| 4500009480 / A1 DATED 18.08.2023 | Swelect Energy Systems Limited (RE) | 1000KVA, 22KV/800V | 1 | 15.80 |
| 4500009481 dated 28.07.2023 | Swelect Energy Systems Limited (RE) | 3500KVA,22KV/630V | 1 | 32.90 |
| 4500009481 dated 28.07.2023 | Swelect Energy Systems Limited (RE) | 6500KVA,22KV/630V-630V | 1 | 54.45 |
| VRGSC/G.VECTORS/ 2023-24/VI dated 31.07.2023 | VRGSC Construction Material Private Limited (RE) | 800KV/11KVA/433V OLTC | 1 | 9.00 |

| | | | | | |
|--|------------------------------------|---------------------|------------------------|-----|----------|
| 202223-00019 dated 26-07-2023 | International Manufacturing (SBDM) | Aerospace Pvt. Ltd. | 2500KVA,11KV/433V OLTC | 1 | 36.90 |
| SAEW/MFG/PO:321/23-24 DATED 17.08.2023 | Shree Abirami Works | Engineering | 2000KVA,11KV/433V OCTC | 1 | 46.70 |
| SAEW/MFG/PO:321/23-24 DATED 17.08.2023 | Shree Abirami Works | Engineering | 2000KVA,11KV/433V OCTC | 32 | 1,172.80 |
| SAEW/MFG/PO:321/23-24 DATED 17.08.2023 | Shree Abirami Works | Engineering | 2500KVA,11KV/433V OCTC | 1 | 53.24 |
| SAEW/MFG/PO:321/23-24 DATED 17.08.2023 | Shree Abirami Works | Engineering | 2500KVA,11KV/433V OCTC | 5 | 195.90 |
| 18/06.04.2022 | TANGEDCO | | 250KVA,11KV/433V | 7 | 44.37 |
| 80/11.04.2022 | TANGEDCO | | 63KVA,11KV/433V | 14 | 69.64 |
| 3000000757 / 22.08.2022 | TANGEDCO | | 100KVA,22KV/433V | 37 | 148.32 |
| 128/13.04.2022 | TANGEDCO | | 63KVA.22KV/433V | 29 | 80.15 |
| 65/08.04.2022 | TANGEDCO | | 500KVA,11KV/433V | 8 | 86.88 |
| 3000000936 dt 18.02.2023 | TANGEDCO | | 100KVA,11KV/433V | 115 | 403.07 |
| 3000000968 dt. 24.04.2023 | TANGEDCO | | 200KVA,22KV/433V | 28 | 158.58 |

CERTIFICATIONS:

We have obtained following certifications from the International Organization for Standardization (“ISO”) and the Bureau of Indian Standards (“BIS”):

| Certificates | Certification Number | Creation Date | Expiry Date |
|--------------|----------------------|---------------|-------------|
| ISO | 45001:2018 | 02-05-2022 | 13-04-2025 |
| ISO | 14001:2015 | 02-05-2022 | 13-04-2025 |
| ISO | 9001:2015 | 09-15-2021 | 09-14-2024 |
| BIS | 6700052811 | 06-03-2017 | 05-03-2024 |

FOLLOWING TESTS ARE CONDUCTED AT SUPREME'S PREMISES:

NO LOAD LOSS & NO LOAD CURRENT MEASUREMENT

The no-load loss and current measurements of a transformer are made while one of the windings (usually the HV winding) is kept open and the other winding is supplied at the rated voltage and frequency. During this test the no-load current (I_o) and the no-load losses (P_o) are measured.

RESISTANCE MEASUREMENT

Transformer resistance measurement is an image of the copper length of a given winding, and the quality of the contacts, present on the electrical circuit.

RATIO TEST

Transformer Turns Ratio (TTR) is one of the most common test used to assess the condition of the transformer's windings and core. It is performed as a part of acceptance and maintenance test procedure to determine any problems due to poor design, assembly, handling, overloading, fault conditions or poor maintenance.

INSULATION RESISTANCE VALUE MEASUREMENT

Measuring the insulation resistance of a transformer is a fundamental diagnostic test to assess the health of the transformer's insulation system. Regular testing helps to detect potential issues early, allowing for timely maintenance or repairs to prevent electrical failures and ensure the transformer's continued safe and reliable operation.

DIELECTRIC TESTS

The purpose of dielectric test is to determine the breakdown voltage at weak spots caused by the dielectric effects of any kind. It is the test to check compliance with the electrical safety testing standards and which verifies whether the insulation of a component sufficiently protects users from electrical shock.

PRESSURE TEST

Pressure testing for transformers is an essential part of ensuring their reliability and safety in electrical power systems. Transformers are critical components that step up or step down voltage levels in power distribution and transmission. Pressure tests are conducted to check the quantity of oil-filled tanks, and other components.

VECTOR GROUP TEST

The vector group test is crucial for ensuring that transformers are connected correctly in a power system. If there are discrepancies between the expected and observed vector groups, corrective actions may be necessary, such as reconfiguring the transformer. Proper vector group identification is essential for the reliable and efficient operation of transformers in electrical networks.

NOISE LEVEL MEASUREMENT

Measuring noise levels in transformers is an important aspect of transformer maintenance and assessment, especially in settings where noise pollution or abnormal noise can indicate potential issues within the transformer. Excessive noise can be a sign of mechanical or electrical problems.

TEMPERATURE RISE TEST

A Temperature Rise Test is a crucial procedure conducted on transformers to evaluate their thermal performance and ensure that they can operate safely and efficiently under load conditions. This test is essential to determine how much the transformer's temperature increases when subjected to its rated load.

CAPACITANCE & TAN DELTA TEST

The Capacitance and Tan Delta (also known as Dissipation Factor) test is an important electrical test conducted on transformers to assess the condition of the insulation system. This test helps in evaluating the dielectric properties of the insulation and detecting any potential issues or degradation.

HARMONICS MEASUREMENTS

Harmonics Measurements Test for transformers is a diagnostic procedure that assesses the harmonic distortion in the output voltage and current waveforms of a transformer. It is important because excessive harmonics can lead to increased losses, reduced efficiency, and additional stress on the transformer and other connected equipment.

ZERO SEQUENCE IMPEDANCE TEST

The Zero Sequence Impedance Test is an electrical test performed on transformers to determine the impedance of the transformer with respect to zero sequence currents. Zero sequence currents are those currents that flow in a set of conductors simultaneously and in the same direction, such as ground faults or unbalanced loads. Measuring the zero sequence impedance is important for assessing the transformer's ability to handle unbalanced or ground fault conditions in a power system.

OUR STRENGTHS:

We derive our strength from the following factors:



Contracts from governments

We have various categories of customers, including public sector undertakings, and have a strong and cordial relationship with these clients. We are already generating a significant part of our revenue from operations by subscribing to and fulfilling government tenders. We intend to continue obtaining more tenders and expanding our business.

Experienced and Strong Management team:

We have an experienced management team with established processes led by our promoters Mr. Vee Rajmohan, Managing Director and Mr. K V Pradeep Kumar Whole Time Director having rich experience in the transformer manufacturing and refurbishing & has been contributory in the consistent growth of Our Company. We believe that our management team has a long-term vision and has proven its ability to achieve long-term growth of the Company. Our Promoters have sufficient experience in transformer manufacturing and electrical equipment industry. We believe that the strength of our management team and their understanding of the industry will enable us to continue to take advantage of current and future market opportunities. Our management and employee teams combine expertise and experience to outline plans for the future development of the Company. We believe that our qualified management team provides us a competitive advantage and enables us to function effectively and efficiently.

Highly crafted and well-engineered product base

Engineering forms an essential element of manufacturing transformers. We provide customer centric customized solutions for transformers. Our designs are crafted to minimize the losses occurring within the transformer thereby making them more efficient. We believe our transformers and the engineering behind it have driven our Company to the current height.

Capable Technical Personnel

Refurbishing & Manufacture of efficient transformers require capable technical personnel. Our Company is well equipped with team of qualified operators to handle processes efficiently. Our Company possesses a team of experienced, trained & qualified personnel dedicated to Research & Development center that also takes care of total quality management systems.

Quality assurance

Our quality assurance programs include inspection of materials at supplier's works and thorough stage wise inspection by using check lists. This ensures product quality as envisaged by design and manufacturing plan. We consciously dedicate resources for quality assurance to ensure that quality norms are continually met.

Organized and focused marketing team

A strong Managerial team is involved in the sales and marketing, pitching for prime projects at the appropriate time. Our team ensures compatibility and reliability with the clients servicing their needs and requirements efficiently. This is the reason our clients continue to associate with our Company year on year. While identifying projects it's needed to fulfil the organization's future-state vision.

Wide product portfolio

Our product portfolio ranges from Power Transformation, Generator Transformer, Windmill Transformer, Distribution Transformer, Isolation Transformer, Solar Transformer, Energy Efficient Transformer, Converter and Rectifier Transformer in both Refurbishing & manufacturing segment, thus catering to diverse needs of markets.

Cordial relations with our customers and Suppliers

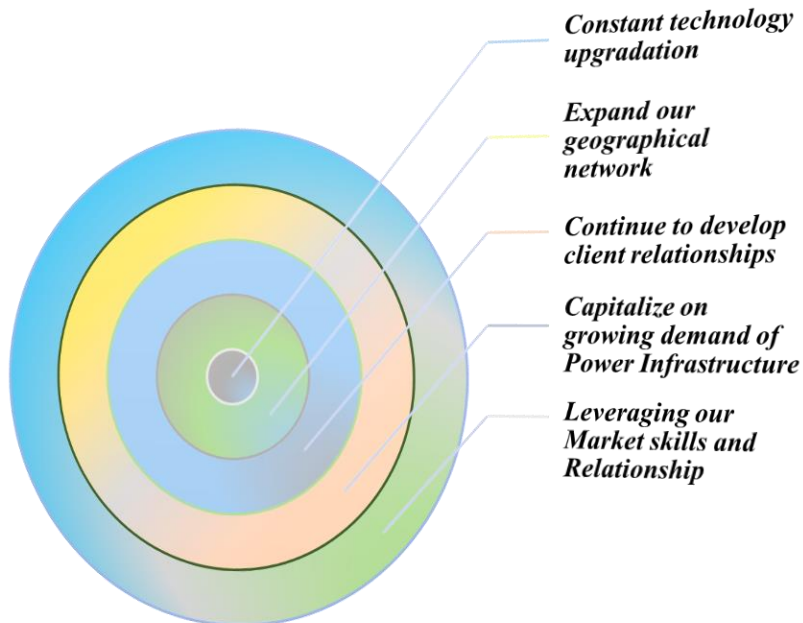
Our record has helped us to build strong relationships over the years with our customers as well as with our Suppliers, which allows repetitive order with our customers as well as timely and cost effective delivery of raw materials by our suppliers, resulting in efficient and timely execution of projects.

Well-equipped manufacturing facilities

We have one manufacturing facilities spread over an area. of 17,876 sq. feet located at Plant Situated at No.55, SIDCO Industrial Estate, Thirumazhisai, Thiruvallur Chennai Tamil Nadu- 600124. Manufacturing facilities are well equipped with requisite machineries and technologies enjoys the consequent benefits, thus lowering cost of manufacturing of Transformers. We also have in-house testing facilities. Our infrastructural capabilities enable us to manufacture qualitative products. We make continuous efforts to upgrade our technology in our 'manufacturing process so as to achieve a. better product quality and technical reliability.

OUR BUSINESS STRATEGIES

Our strategy is to build upon our competitive strengths and business opportunities to become one of the vital Transformers manufacturing Company. We intend to achieve this by implementing the following strategies:



Constant technology upgradation

Our Company has focused on constant up gradation of our machinery and equipment used in our business from various parts of the world keeping in mind its usage in the Indian Environment. Further, we believe that we are able to achieve greater efficiency due to our in-house testing process, reducing the time taken for and the cost of manufacturing our products, from design to commercial production, resulting in higher profit margins.

Expand our geographical network

We continually seek to enhance our addressable market through private meetings with our proposed customers, by carrying out promotional activities to create awareness for our products. With our wide range of products and services, we are further intend to our presence globally. We intend to spread our wings in the international market too.

Currently, our company is focused only on certain States in India. However, we intend to cater to the increasing demand of our existing customers and also increase our existing customer base by enhancing the distribution reach of our products in different parts of the country.

We continually seek to enhance our addressable market through private meetings with our proposed customers, by carrying out promotional activities to create awareness for our products. We plan to create a Strong and niche customer base for our products by increasing our focus on increasing our visibility with such institutional customers including Government Institutions, builders, and Developers of residential and commercial projects. Further, our emphasis is on expanding the scale of our operations as well as growing our supply chain network, which we believe will provide attractive opportunities to grow our client base and revenues.

Continue to develop client relationships

We plan to grow our business primarily by growing the number of client relationships, as we believe that increased client relationships will add stability to our business. We seek to build on existing relationships and also focus on bringing into our portfolio more clients. Our Company believes that business is a byproduct of relationship. Our Company believes that a long term client relationship with large clients reap fruitful returns. Long-term relations are built on trust and continuous meeting with the requirements of the customers.

Capitalize on growing demand of Power Infrastructure

Due to the increase in the population and other various factors such as industrial development, the demand for the power infrastructure will grow in future. We intend to capitalize on the growing demand. We have cordial relationship with various public sector entities as well as being an approved vendor for such entities giving repeat orders to us. We believe that we are well positioned to cater to the industry with our diverse products and vast experience in the industry.

Leveraging our Market skills and Relationship

Leveraging our Market skills and Relationships is a continuous process in our organization and the skills that we impart in our people give importance to customers. We aim to do this by leveraging our marketing skills and relationships and further enhancing customer satisfaction.

MARKETING

To handle our product sales, we have a dedicated team of marketing representatives. We have developed a strong marketing network across the southern states through our clients, which include government agencies, public sector undertakings, and private entities as well. Our marketing and branding team is responsible for marketing activities with the aim of developing and enhancing our brands and increasing our sales. Some of our marketing activities envisaged as below:

Our marketing strategies are framed in the following way which ensures:

- Continuously grasping markets trends
- Supply of Quality Products
- Fulfilment of Order Quantity in timely manner

Our Company uses marketing tools like advertisements, seminars followed by fellowship dinners for clients in order to widen their business scope and to increase business potential and market share. Our Company participates in exhibitions at trade fairs related to electrical products. We also have an effective feedback procedure in place for our clients regarding our products which help us in improving and maintaining the efficiency of our products and achieving desired level of customer satisfaction.

COMPETITION

The power and distribution transformers manufacturing industry is characterized by intense competition, with both global giants and local players vying for prominence in the market.

The competitive landscape is intricate, with companies differing in terms of geographical presence, product focus, and market strategies. Understanding this intricate web of competition necessitates comprehensive research into aspects such as market share, customer feedback, technological innovations, and the ability to adapt to evolving industry trends.

Our aim is to provide branded, standardized, and uniform quality products at competitive prices to our consumers. Many of our competitors have a substantially large capital base and resources than we do and offer a broader range of products. As the industry continues to evolve, these competitors, driven by innovation and a commitment to meeting the world's growing energy demands, will undoubtedly shape the trajectory of power and distribution transformers manufacturing.

Set forth below are our significant competitors:

- TD Power Systems Limited
- Indo Tech Transformers Limited
- Transformers & Rectifiers Limited
- VoltAmp Transformers Limited

CUSTOMER SEGMENTS

Customer segmentation helps our company to better understand our customers, based on shared their characteristics or behaviors. This enables us to understand our customers better and tailor their marketing efforts to meet specific needs. By recognizing differences among customers, we can create personalized experiences, develop targeted products, and allocate resources more effectively. Customer segmentation facilitates our company to enhances marketing strategies, improves customer satisfaction, and ultimately drives business growth by focusing on the unique preferences of different customer groups.

| | | |
|------------------------------|-----------------------------|---|
| Electric and Power Utilities | Foundries | Automobile Units |
| Ceramic Unites | Leather Factories | Wind Mill |
| Solar Units | Hospitals | Textile Units |
| Hotels | Shopping Malls and Theatres | Various Government Departments through Electrical Contractors |

SWOT ANALYSIS

STRENGTHS

- **Technical Expertise:** The company possesses a deep understanding of transformer manufacturing, including design, engineering, and production processes.
- **Quality Control:** A strong emphasis on quality control ensures that the transformers manufactured by the company meet industry standards and regulations.
- **Diverse Product Range:** The company offers a wide range of power and distribution transformers to cater to various voltage levels and customer requirements.
- **Experienced Workforce:** The presence of skilled engineers, technicians, and production staff contributes to the company's ability to deliver high-quality products.
- **Established Customer Base:** The company has built a loyal customer base over the years, including utility companies, industries, and governments.

WEAKNESS

- **High Initial Investment:** The manufacturing of power and distribution transformers requires significant capital investment in equipment, technology, and facilities.
- **Market Dependency:** The company's performance is heavily tied to the demand for electrical infrastructure projects and energy distribution, leaving it vulnerable to economic fluctuations.
- **Complex Production Process:** Transformer manufacturing involves intricate processes and testing procedures, which could lead to production delays or quality issues if not managed carefully.
- **Supply Chain Disruptions:** Reliance on a complex supply chain for raw materials and components makes the company susceptible to disruptions and delays.

OPPORTUNITIES

- **Renewable Energy Growth:** The shift towards renewable energy sources creates opportunities for the company to supply transformers for solar and wind energy projects.
- **Smart Grid Integration:** The integration of smart grid technologies requires advanced transformers capable of managing complex energy distribution systems.
- **Energy Infrastructure Development:** Growing demand for energy in emerging economies presents opportunities for the company to provide transformers for new infrastructure projects.
- **Customization and Innovation:** Offering customizable transformers and innovative designs could attract customers seeking solutions tailored to their specific needs.
- **Global Expansion:** Exploring new international markets could lead to increased sales and market diversification.

THREATS

- **Competition:** The transformer manufacturing industry is competitive, with both local and international companies vying for contracts and market share.
- **Technological Disruption:** Advancements in energy storage and distribution technologies could potentially reduce the demand for traditional power transformers.
- **Price Volatility:** Fluctuations in raw material prices can impact the company's profit margins, especially if it's unable to pass on the cost to customers.
- **Geopolitical Factors:** Political instability, trade disputes, and regulatory changes in different regions can affect the company's international operations and supply chain.
- **Environmental Concerns:** Increasing environmental regulations and demand for energy-efficient solutions may require the company to invest in greener manufacturing processes and product.

HUMAN RESOURCE

We believe that a motivated and empowered employee base is the key to our operations and business strategy. We have developed a large pool of skilled and experienced personnel. Currently we have 58 full time employees as on July 31, 2023. Our manpower is a prudent mix of the experienced and young people which gives us the dual advantage of stability and growth, consequently execution of services within time and quality.

Our skilled resources together with our strong management team have enabled us to successfully implement our growth plans. The permanent employees at our plants include personnel in manufacturing activities such as machine operations, assembling and testing of products, quality assurance, and receipt and dispatch of materials.

DEPARTMENT WISE BREAK-UP:

| Sr. No. | Particulars | Number of Employees |
|--------------|-------------------|---------------------|
| 1 | Management | 4 |
| 2 | Production | 16 |
| 3 | Design | 7 |
| 4 | Marketing | 6 |
| 5 | Accounts | 5 |
| 6 | Admin | 5 |
| 7 | Quality Assurance | 4 |
| 8 | Testing | 3 |
| 9 | Maintenance | 2 |
| 10 | Stores | 2 |
| 11 | Purchase | 1 |
| 12 | Sourcing | 1 |
| 13 | Planning | 1 |
| 14 | Technical | 1 |
| TOTAL | | 58 |

FINANCIAL ACHIEVEMENTS OF THE COMPANY

Consolidated Financial Statement

(Amount in Lakhs)

| Particulars | 31 st July 2023 | 31 st March 2023 |
|----------------------|----------------------------|-----------------------------|
| Share Capital | 395.80 | 395.80 |
| Reserves and Surplus | 1,902.46 | 1,409.89 |
| Net Worth | 2,298.26 | 1,805.69 |
| Total Income | 3,927.61 | 9,990.85 |
| PAT | 503.16 | 1,107.88 |

Standalone Financial Statement

(Amount in Lakhs)

| Particulars | 31 st July 2023 | 31 st March 2023 | 31 st March 2022 | 31 st March 2021 |
|----------------------|----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Share Capital | 395.80 | 395.80 | 395.80 | 395.80 |
| Reserves and Surplus | 1,902.46 | 1,409.89 | 327.60 | 275.81 |
| Net Worth | 2,298.26 | 1,805.69 | 723.40 | 671.61 |
| Total Income | 3,525.95 | 7,790.13 | 4,670.92 | 3,546.77 |
| PAT | 492.57 | 1,082.29 | 51.81 | 26.56 |

REVENUE BIFURCATION

(Amount in Lakhs)

| S.No. | Classification | 31 st July 2023 | 31 st March 2023 | 31 st March 2022 | 31 st March 2021 |
|--------------|-------------------------------|----------------------------|-----------------------------|-----------------------------|-----------------------------|
| 1. | Government Tenders | 1,566.32 | 4,487.20 | 3,738.52 | 2,804.35 |
| 2. | Other than Government Tenders | 1,863.02 | 3,065.82 | 921.95 | 730.82 |
| Total | | 3,429.34 | 7,553.03 | 4,660.47 | 3,535.17 |

GEOGRAPHICAL-WISE REVENUE BIFURCATION

Our company has been sourcing revenue from various parts of the world. The geographical wise bifurcation of revenue (good and service) on Standalone basis is given as follows:

(Amount in lakhs)

| Geographies | 31st July 2023 | | 31st March 2023 | | 31st March 2022 | | 31st March 2021 | |
|--------------|-----------------|---------------|-----------------|---------------|-----------------|---------------|-----------------|---------------|
| | Amount | % | Amount | % | Amount | % | Amount | % |
| India | 3,425.06 | 99.88 | 7,536.83 | 99.79 | 4,660.47 | 100.00 | 3,535.17 | 100.00 |
| Singapore | - | - | 7.70 | 0.10 | - | - | - | - |
| Nigeria | 4.28 | 0.12 | 8.33 | 0.11 | - | - | - | - |
| UAE | - | - | 0.17 | 0.00 | - | - | - | - |
| Total | 3,429.34 | 100.00 | 7,553.03 | 100.00 | 4,660.47 | 100.00 | 3,535.17 | 100.00 |

PRODUCT WISE REVENUE BIFURCATION

| S. No. | Classification | 31 st July 2023 | % of Revenue | 31 st March 2023 | % of Revenue | 31 st March 2022 | % of Revenue | 31 st March 2021 | % of Revenue |
|--------------|---|----------------------------|----------------|-----------------------------|----------------|-----------------------------|----------------|-----------------------------|----------------|
| 1. | Distribution Transformer and Energy Efficient Transformer | 1,549.12 | 45.17% | 4,119.41 | 54.54% | 4,301.45 | 92.30% | 2,283.63 | 64.60% |
| 2. | Power Transformers | 1,820.68 | 53.09% | 2,999.59 | 39.71% | 78.28 | 1.68% | 1,137.39 | 32.17% |
| 3. | Windmill Transformers | - | - | 20.75 | 0.27% | - | - | 36.31 | 1.03% |
| 4. | Solar Transformers | 59.55 | 1.74% | 382.27 | 5.06% | 280.75 | 6.02% | 47.07 | 1.33% |
| 5. | Generator Transformers | - | - | - | - | - | - | 30.77 | 0.87% |
| 6. | Furnace Transformers | - | - | 31.00 | 0.41% | - | - | - | - |
| Total | | 3,429.34 | 100.00% | 7,553.03 | 100.00% | 4,660.47 | 100.00% | 3,535.17 | 100.00% |

TOP TEN CUSTOMERS

For the 31st July 2023

| S.No. | Name of the Customer | Amount (Rs. In Lakhs) | % age |
|-------|--|-----------------------|--------|
| 1. | TANGEDCO | 831.66 | 23.59% |
| 2. | TANTRANSCO | 755.22 | 21.42% |
| 3. | Shree Abirami Enggineering Works-Sriperumbudur | 690.04 | 19.57% |
| 4. | AH Constructions | 302.16 | 8.57% |
| 5. | JS Auto Cast Foundry India Pvt Ltd Unit -III | 26.75 | 0.76% |

| | | | |
|-----|---|-----------------|---------------|
| 6. | ESSAR ELECTRICALS | 18.64 | 0.53% |
| 7. | Eco Protection Engineers Pvt Ltd Chennai | 14.20 | 0.40% |
| 8. | BVD Power Private Limited | 9.34 | 0.26% |
| 9. | Bhamys Constructions Pvt Ltd, | 8.89 | 0.25% |
| 10. | Sripathi Paper And Boards Private Limited | 1.10 | 0.03% |
| | Total | 2,658.01 | 75.38% |

For the Financial Year 2022-23

| S.No. | Name of the Customer | Amount (Rs. In Lakhs) | % age |
|-------|--|-----------------------|---------------|
| 1. | TANGEDCO | 2,653.13 | 34.06% |
| 2. | TANTRANSCO | 1,913.19 | 24.56% |
| 3. | BVD Power Private Limited | 615.00 | 7.89% |
| 4. | AH Constructions | 600.38 | 7.71% |
| 5. | Priya Engineering Projects Private Limited | 233.10 | 2.99% |
| 6. | Shimizu Corporation India Pvt Ltd MH | 172.87 | 2.22% |
| 7. | Swelect Energy Systems Ltd | 99.38 | 1.28% |
| 8. | Shimizu Corporation India Pvt Ltd AP | 75.35 | 0.97% |
| 9. | Swelect Re Power Pvt Ltd | 50.18 | 0.64% |
| 10. | Shri Vaari Electricals Pvt Limited | 32.90 | 0.42% |
| | Total | 6,445.47 | 82.74% |

For the Financial Year 2021-22

| S.No. | Name of the Customer | Amount (Rs. In Lakhs) | % age |
|-------|----------------------------------|-----------------------|---------------|
| 1. | TANGEDCO | 3,612.66 | 77.34% |
| 2. | Easan Electric | 277.55 | 5.97% |
| 3. | Essaar Power Controls | 44.82 | 0.96% |
| 4. | TANTRANSCO | 35.34 | 0.76% |
| 5. | Ganapathy Electrical | 34.97 | 0.75% |
| 6. | Shri Vaari Electricals Pvt. Ltd. | 33.19 | 0.71% |
| 7. | P & C Projects Pvt. Ltd. | 25.80 | 0.55% |
| 8. | I.P.L. Products Chennai | 15.66 | 0.34% |
| 9. | KCP Engineers Pvt. Ltd. | 13.60 | 0.29% |
| 10. | Lakshmi Elektrikals | 13.20 | 0.28% |
| | Total | 4,106.79 | 87.92% |

For the Financial Year 2020-21

| S.No. | Name of the Customer | Amount (Rs. In Lakhs) | % age |
|-------|--|-----------------------|---------------|
| 1. | TANGEDCO | 1,815.55 | 51.19% |
| 2. | TANTRANSCO | 765.03 | 21.57% |
| 3. | Easan Electric | 122.09 | 3.16% |
| 4. | Shri Vaari Electricals Pvt. Ltd. | 47.50 | 1.34% |
| 5. | Sabhari Electricals | 35.30 | 1.00% |
| 6. | Gousia Road Construction Co. (SHP) | 30.77 | 0.87% |
| 7. | Vestas | 28.55 | 0.80% |
| 8. | Sara Agency | 26.28 | 0.74% |
| 9. | Victory Electric | 23.46 | 0.66% |
| 10. | Eco Protection Engineers Pvt Ltd (Chennai) | 23.05 | 0.65% |
| | Total | 3,430.93 | 81.98% |

TOP TEN SUPPLIERS

For the 31st July 2023

| S.No. | Name of the Customer | Amount (Rs. In Lakhs) | % age |
|-------|---------------------------------------|-----------------------|---------------|
| 1. | Bhagyanagar India Limited | 578.77 | 21.38% |
| 2. | KRYFS Power Components Ltd. | 384.75 | 14.21% |
| 3. | Apar Industries Limited | 199.45 | 7.37% |
| 4. | Aleena Transcore Pvt. Ltd. | 194.60 | 7.19% |
| 5. | Raj Petro Specialities Pvt. Ltd. | 135.61 | 5.01% |
| 6. | KRYFS Power Components Ltd – (Haveli) | 121.40 | 4.48% |
| 7. | Yash Highvoltage Ltd. | 102.25 | 3.78% |
| 8. | Viji Power Transformers Pvt. Ltd. | 65.54 | 3.46% |
| 9. | T.A. Traders | 61.11 | 2.26% |
| 10. | Columbia PetroChem Pvt. Ltd. | 53.50 | 1.98% |
| | Total | 1,896.99 | 70.07% |

For the Financial Year 2022-23

| S.No. | Party Name | Amount (Rs. In Lakhs) | % age |
|-------|---|-----------------------|---------------|
| 1 | Bhagyanagar India Limited | 1,343.89 | 23.16% |
| 2 | Jay Bee Laminations Pvt. Ltd. | 890.64 | 15.35% |
| 3 | Slimlites Electricals Pvt. Ltd. (Unit - II) | 374.17 | 6.45% |
| 4 | Raj Petro Specialities Pvt. Ltd. | 370.99 | 6.39% |
| 5 | Transceltic Cores Pvt. Ltd. | 365.22 | 6.29% |
| 6 | Aleena Transcore Pvt. Ltd. | 161.83 | 2.79% |
| 7 | BYKs Industries | 131.32 | 2.26% |
| 8 | Viji Power Transformers Pvt. Ltd | 120.09 | 2.07% |
| 9 | Bharat Insulation Company (India) Pvt. Ltd. | 118.6 | 2.04% |
| 10 | Apar Industries Limited | 113.36 | 1.95% |
| | Total | 3,990.10 | 68.77% |

For the Financial Year 2021-22

| S.No. | Party Name | Amount (Rs. In Lakhs) | % age |
|-------|---|-----------------------|---------------|
| 1 | Slimlites Electricals Pvt. Ltd. (Unit - II) | 1,078.64 | 26.47% |
| 2 | Bhagyanagar India Limited | 895.37 | 21.97% |
| 3 | Jay Bee Laminations Pvt. Ltd. | 419.53 | 10.30% |
| 4 | Mangal Electrical Industries Pvt. Ltd | 258 | 6.33% |
| 5 | Raj Petro Specialities Pvt. Ltd. | 173.57 | 4.26% |
| 6 | KRYFS Power Components Ltd. | 158.97 | 3.90% |
| 7 | Apar Industries Limited | 138.12 | 3.39% |
| 8 | Aleena Transcore Pvt. Ltd. | 101.74 | 2.50% |
| 9 | Copral Energy Pvt. Ltd. | 80.55 | 1.98% |
| 10 | Transceltic Cores Pvt. Ltd. | 70.36 | 1.73% |
| | Total | 3,374.85 | 82.83% |

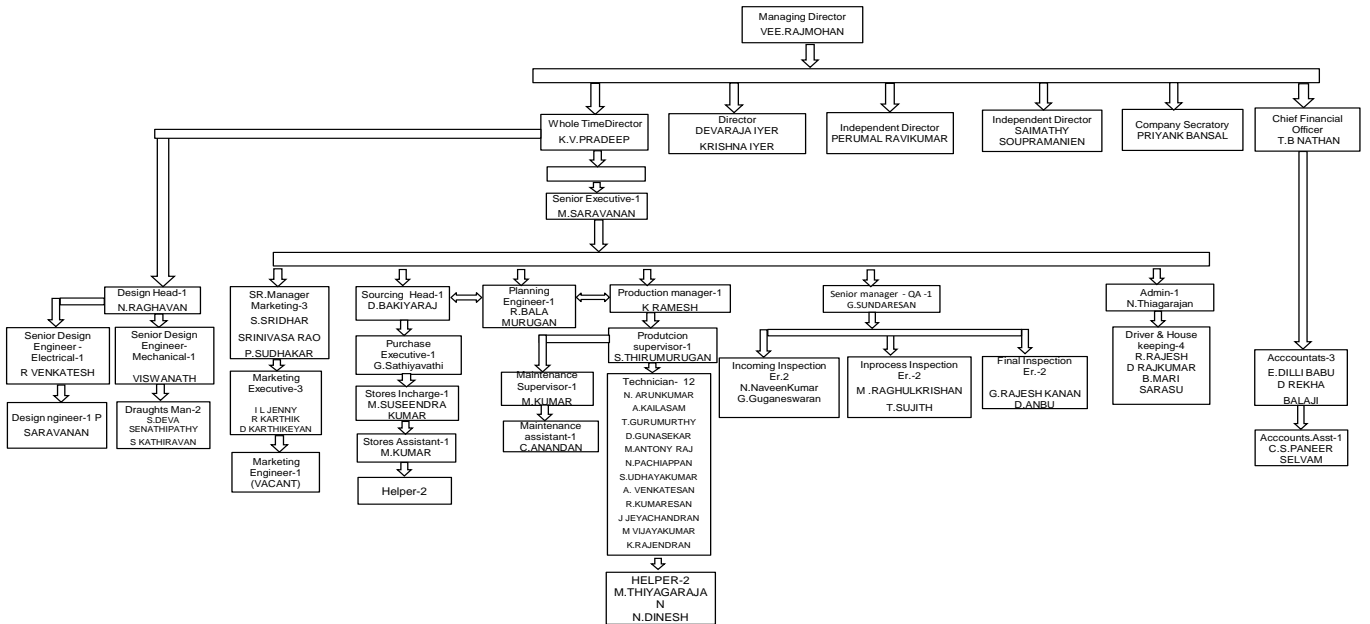
For the Financial Year 2020-21

| S.No. | Party Name | Amount (Rs. In Lakhs) | % age |
|-------|----------------------------|-----------------------|-------|
| 1 | Copral Energy Pvt. Ltd. | 197.62 | 6.54% |
| 2 | Aleena Transcore Pvt. Ltd. | 103.01 | 3.41% |
| 3 | Apar Industries Limited | 77.25 | 2.56% |
| 4 | G.K. Signeling | 53.86 | 1.78% |

| | | | |
|--------------|-----------------------------------|---------------|---------------|
| 5 | T.A. Traders | 51.51 | 1.70% |
| 6 | Viji Power Transformers Pvt. Ltd. | 42.70 | 1.41% |
| 7 | On Load Gears | 39.20 | 1.30% |
| 8 | Easun Mr Tap Changers Pvt. Ltd. | 28.38 | 0.94% |
| 9 | TR Control & Protection Solutions | 25.28 | 0.84% |
| 10 | Shriram Enterprises | 22.97 | 0.76% |
| Total | | 641.79 | 21.24% |

ORGANISATIONAL CHART

SUPREME POWER EQUIPMENT LIMITED, THIRUMAZHISAI CHENNAI-600 124 ORGANIZATIONAL CHART



MACHINERY

| S. No | Machinery | Machine code | Maker | Capacity | No. | Remarks |
|-------|--------------------------|--------------|------------------------------------|-----------------|-----|---------|
| 1. | Wood Cutting Machine | SPEUWCM-01 | White Star Engineering | 40mm | 1 | Owned |
| 2. | Circular Cutting Machine | SPEUCCM-01 | White Star Engineering | L:2ft, T:4mm | 1 | Owned |
| 3. | Vacuum Pump | SPEUVP-01 | Stokes | 750Hg | 1 | Owned |
| 4. | E.O.T.Crane | SPEUEO-01 | Aravindh Cranes | 20 Ton | 1 | Owned |
| 5. | E.O.T.Crane | SPEUEO-02 | Aravindh Cranes | 40 Ton | 1 | Owned |
| 6. | E.O.T.Crane | SPEUEO-03 | Indef | 5 Ton | 1 | Owned |
| 7. | Electrical Hoist | SPEUEH-01 | Indef | 500 Kgs | 1 | Owned |
| 8. | Water Pump | SPEL/WP-01 | CRI | 1 HP | 1 | Owned |
| 9. | Generator | SPEUDG-01 | Cumminis | 100 KVA | 1 | Owned |
| 10. | Oil Pump | SPEUOP-01 | Best | 5 HP | 1 | Owned |
| 11. | Power Winding Machine | SPEUPWM-01 | Supreme Power Equipment Limited | 3 HP | 1 | Owned |
| 12. | Power Winding Machine | SPEUPWM-02 | Supreme Power Equipment Limited | 5 HP | 1 | Owned |
| 13. | Power Winding Machine | SPEUPWM-03 | Vikrant | 5 HP | 1 | Owned |

| | | | | | | |
|-----|------------------------|--------------|---|---|----|-------|
| 14. | H.V.Winding Machine | PEUHV-01 | Supreme Power Equipment Limited | 1 HP | 1 | Owned |
| 15. | H.V.Winding Machine | PEUHV-02 | Supreme Power Equipment Limited | 2 HP | 1 | Owned |
| 16. | H.V.Winding Machine | PEUHV-03 | Supreme Power Equipment Limited | 2 HP | 1 | Owned |
| 17. | H.V.Winding Machine | PEUHV-04 | Supreme Power Equipment Limited | 2 HP | 1 | Owned |
| 18. | H.V.Winding Machine | PEUHV-05 | Supreme Power Equipment Limited | 2 HP | 1 | Owned |
| 19. | H.V.Winding Machine | PEUHV-06 | Supreme Power Equipment Limited | 2 HP | 1 | Owned |
| 20. | Drying Oven | SPEUDO-01 | Supreme Power Equipment Limited | 400°C/54KW | 1 | Owned |
| 21. | Drying Oven | SPEUDO-02 | Supreme Power Equipment Limited | 400°C/12KW | 1 | Owned |
| 22. | Hydraulic Trolley | SPEUHT-01 | D.J. Hydraulic Services | 2.5 Ton | 1 | Owned |
| 23. | Hydraulic Trolley | SPEUHT-02 | D.J. Hydraulic Services | 2.5 Ton | 1 | Owned |
| 24. | Booster Transformer | SPEUBTR-01 | Supreme Power Equipment Limited | 1200 KVN13.6-7.2- 4.2-2.2-1.1 KV/400-800V | 1 | Owned |
| 25. | Booster Transformer | SPEUBTR-02 | Supreme Power Equipment Limited | 1200 KVN13.6-7.2- 4.2-2.2-1.1 KV/400-800V | 1 | Owned |
| 26. | Shearing Machine | SPEUSM-01 | JBE | Length: 1400mm | 1 | Owned |
| 27. | High Volt Transformer | SPEUHVTR-01 | Power Control Equipment | 300KVA/300KV | 1 | Owned |
| 28. | High Volt Transformer | SPEL/HVTR-01 | Moon Lights Electrics | 30KVA/100KV | 1 | Owned |
| 29. | Oil Tank | SPELOT-01 | JBE | 24000 Ltrs | 1 | Owned |
| 30. | Band Saw Machine | SPEL/BSM-01 | SCC | 10 mm | 1 | Owned |
| 31. | Band Saw Machine | SPEL/BSM-01 | National | 10 mm | 1 | Owned |
| 32. | Drilling Machine | SPELDRM-01 | MEW | 32 mm | 1 | Owned |
| 33. | Oil Filter Machine | SPEL/OF-01 | Hamsa Filter Electric Data | 4800Ltrs/Hour | 1 | Owned |
| 34. | Air Compressor | SPEL/AC-01 | ELGI | 5 HP | 1 | Owned |
| 35. | Dovetail press | SPEL/DP-01 | Vivek | 25 Ton | 1 | Owned |
| 36. | Welding Machine | SPEL/WM-01 | TOSHON | 400A | 1 | Owned |
| 37. | Alternator Prime Mover | SPEL/AP-01 | NGEF | 150KVA/ HP | 1 | Owned |
| 38. | Bench Grinding Machine | SPELBGM-01 | MEW | 3 HP | 1 | Owned |
| 39. | Lint Shearing Machine | SPEL/LSM-01 | MEW | 1 HP | 1 | Owned |
| 40. | Test Bench | - | - | - | 1 | Owned |
| 41. | Capacitors | - | Energy Capacitor / Magnewin Energy Pvt Ltd. | 50KVAR / 75KVAR / 100KVAR / 200KYAR | 97 | Owned |
| 42. | Dimmer Stat | SPEL/DS-01 | Auto Data | 300A 415Y 3Ph | 1 | Owned |
| 43. | Dimmer Stat | SPEL/DS-02 | - | 20A 1Ph | 1 | Owned |
| 44. | Bench vise Machine | SPEL/BV-01 | - | - | 1 | Owned |
| 45. | Cutting Machine | SPEL/CM-01 | Dewalt | 14 Inch | 1 | Owned |

| | | | | | | |
|-----|-----------------------|-------------|---------------------------------|---------------|---|-------|
| 46. | Hot Air Blower | SPEL/HAB-01 | BOSCH | 1600W | 1 | Owned |
| 47. | Hand Drilling Machine | SPEL/HD-01 | BOSCH | 10mm | 1 | Owned |
| 48. | Grinding Machine | SPEL/GM-01 | BOSCH | - | 1 | Owned |
| 49. | Jigsaw Machine | SPEL/JS-01 | VEPEE | - | 1 | Owned |
| 50. | Hand cutting machine | SPEL/HCM-01 | BOSCH | 1400W | 1 | Owned |
| 51. | Paint booth | SPEL/PB | - | - | 1 | Owned |
| 52. | Electrical Hoist | SPEL/EH-02 | Arvind Cranes | 1 Ton | 1 | Owned |
| 53. | Drying oven | SPEL/DO-03 | Supreme Power Equipment Limited | 24kW | 1 | Owned |
| 54. | Dimmer Stat | SPEL/DS-03 | Automatic Electric | 400A/415V/3Ph | 1 | Owned |

CAPACITY UTILIZATION

| Description | Particulars | UOM | 31st July 2023 | 31st March 2023 | 31st March 2022 | 31st March 2021 |
|------------------------------------|--------------------|-----|--------------------|-----------------|-----------------|-----------------|
| Overall Plant & Machinery Capacity | Installed capacity | MVA | 2500.00 | 2500.00 | 2500.00 | 2500.00 |
| | Actual production | MVA | 201.00 | 758.27 | 192.45 | 245.13 |
| | Capacity Utilized | % | 24.12 [@] | 30.33 | 7.70 | 9.81 |

@ Annualized percentage

UTILITIES & INFRASTRUCTURE FACILITIES

Power

Our Company registered office requires power for normal purposes such as lighting, computer systems, etc. Further, adequate power is available at Plants. Plant Situated at No.55, SIDCO Industrial Estate, Thirumazhisai, Thiruvallur Chennai Tamil Nadu- 600124 supply by Tamil Nadu Generation and Distribution Corporation (TANGEDCO).

Water

Water required for human consumption and other purposes at the registered office and plant situated at No.55, SIDCO Industrial Estate, Thirumazhisai, Thiruvallur Chennai Tamil Nadu- 600124 is met through Borewell.

INSURANCE

| S.No. | Insurer | Type of Policy | Policy number | Premium Paid (Amt. in Rs.) | Expiry | Sum Insured (Amt. in Rs.) | |
|-------|----------------------------------|--|-----------------------|----------------------------|------------|---------------------------|----------------------------------|
| 1. | The New India Assurance Co. Ltd. | Building and structures, plant and machinery, stock Protector Insurance policy | 710100112343-00000023 | 3,09,750 | 16-07-2024 | 250,000,000 | |
| 2. | The New India Assurance Co. Ltd. | Insurance Policy Schedule For Burglary | 710100462301-00000040 | 66,080 | 15-07-2024 | Stocks in Trade | Goods held in Trust / Commission |
| | | | | | | 14,00,00,000 | 3,00,00,000 |

LAND & PROPERTIES

| S.No. | Address | Area | Owned/ Leased | Type |
|-------|--|------------------|---------------|--|
| 1 | No.55, SIDCO Industrial Estate, Thirumazhisai, Thiruvallur Chennai Tamil Nadu- 600124 | 17,876 sq. ft. | Owned | Registered Office and Manufacturing Plant |
| 2 | Survey No(s). of Kannur Village Thiruvallur Taluk, Thiruvallur Village: <ul style="list-style-type: none"> - 235/6A - 235/8A - 235/8B - 235/7 - 235/9 - 234/10 - 234/11 - 234/12A - 234/13 | 5 Acres 95 Cents | Owned | Registered Land in the Name of the Company |

INTELLECTUAL PROPERTY RIGHTS:

Trademark/ Wordmark Owned by Our Company:

As on the date of this Prospectus the following are the Trademarks/ wordmark registered or objected in the name of the company under the Trademark Act, 1999:

| Trademark/ Wordmark | Date of Application | Application Number | Class | Current Status |
|---|---------------------|--------------------|-------|-----------------------|
|  | 22/02/2023 | 5818584 | 9 | Accepted & Advertised |

DOMAIN DETAILS

| Domain Name and ID | Sponsoring Registrar & ID | Creation date | Expiry Date | Current Status |
|--|---|-----------------|-----------------|----------------|
| www.supremepower.in | Hostinger International Limited, United Kingdom 141.136.43.88 | 06 October 2007 | 06 October 2024 | Active |

KEY REGULATIONS AND POLICIES

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

The statements below are based on current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

RELATED TO OUR BUSINESS

THE TRANSFORMER AND SWITCHGEAR LIMITED (ACQUISITION AND TRANSFER OF UNDERTAKINGS) ACT, 1983

An Act to provide for the acquisition and transfer of the undertakings of the Transformer and Switchgear Limited with a view to securing the better utilization of the available infrastructure thereof and to modernize and augment the production of transformers, switchgears and other allied electrical equipments by the said undertakings so as to subserve the interests of the general public by ensuring the continued supply of the aforesaid articles which are essential to the needs of the economy of the country and for matters connected therewith or incidental thereto.

ENERGY CONSUMPTION ACT, 2001

The Act regulates and empowers the Government to specify energy consumption standards for notified equipment and appliances, prohibit manufacture, sale, purchase and import of notified equipment and appliances not conforming to energy consumption standards, establish and prescribe energy consumption norms and standards for designated consumers, direct designated consumers to designate or appoint certified energy manager in charge of activities for efficient use of energy and its conservation, get an energy audit conducted by an accredited energy auditor in the specified manner and interval of time, furnish information with regard to energy consumed and action taken on the recommendation of the accredited energy auditor to the designated agency, comply with energy consumption norms and standards, prepare and implement schemes for efficient use of energy and its conservation if the prescribed energy consumption norms and standards are not fulfilled.

THE ELECTRICITY ACT, 2003

An Act to consolidate the laws relating to generation, transmission, distribution, trading and use of electricity and generally for taking measures conducive to development of electricity industry, promoting competition therein, protecting interest of consumers and supply of electricity to all areas, rationalization of electricity tariff, ensuring transparent policies regarding subsidies, promotion of efficient and environmentally benign policies, constitution of Central Electricity Authority, Regulatory Commissions and establishment of Appellate Tribunal and for matters connected therewith or incidental thereto.

LABOUR LAWS

India has extensive labour related legislations. Certain other laws and regulations that may be applicable to our Company in India

EMPLOYEES' COMPENSATION ACT, 1923, AS AMENDED

The Employee's Compensation Act, 1923 came into force on July 1, 1924. The act has been enacted with the objective to provide for the payment of compensation by certain classes of employers to their workmen or their survivors for industrial accidents and occupational diseases resulting in the death or disablement of such workmen. The Indian Parliament approved certain amendments to the Employee's Compensation Act, 1923, as amended, to substitute, inter-alia, references to "workmen" with "employees" including in the name of the statute. The amendment came into force on January 18, 2010.

Under the Employees' Compensation Act, if personal injury is caused to an employee by accident arising out of and in the course of employment, the employer would be liable to pay such employee compensation in accordance with the provisions of the Employees' Compensation Act. However, no compensation is required to be paid (i) if the injury does not disable the employee for a period exceeding three days, (ii) where the employee, at the time of injury, was under the influence of drugs or alcohol, or (iii) where the employee willfully disobeyed safety rules or willfully removed or disregarded safety devices.

THE INDUSTRIAL DISPUTES ACT, 1947 AND INDUSTRIAL DISPUTE (CENTRAL) RULES, 1957:

Industrial Dispute Act, 1947 and the Rules made thereunder provide for the investigation and settlement of industrial disputes. The Industrial Disputes Act, 1947 (IDA) was enacted to make provision for investigation and settlement of industrial disputes and for other purposes specified therein. Workmen under the ID Act have been provided with several benefits and are protected under various labour legislations, whilst those persons who have been classified as managerial employees and earning salary beyond a prescribed amount may not generally be afforded statutory benefits or protection, except in certain cases. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lock-outs, closures, lay-offs and retrenchment.

THE EMPLOYEES' PROVIDENT FUND AND MISCELLANEOUS PROVISIONS ACT, 1952:

The EPFA came into force on March 4, 1952 and amended on September 1, 2014. Under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (EPF Act), compulsory provident fund, family pension fund and deposit linked insurance are payable to employees in factories and other establishments. The legislation provides that an establishment employing more than 20 (twenty) persons, either directly or indirectly, in any capacity whatsoever, is either required to constitute its own provident fund or subscribe to the statutory employee's provident fund. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, the employer of such establishment is required to make a monthly contribution to the provident fund equivalent to the amount of the employee's contribution to the provident fund. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

THE EMPLOYEES' STATE INSURANCE ACT, 1948 (THE "ESI ACT"):

The Employees State Insurance Act of 1948 has been enacted with the objective of securing financial relief in cases of sickness, maternity and 'employment injury' to employees of factories and their dependent and to make provision for certain other matters in relation thereto. The Act is applicable to all the Factories including Factories belonging to the Government. Further, employer and employees both are required to make contribution to the fund at the rate prescribed by the Central Government. The return of the contribution made is required to be filed with the Employee State Insurance department.

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 workplace and prevention of sexual harassment at workplace. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organizing awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints. 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.

THE PAYMENT OF BONUS ACT, 1965:

The payment of Bonus Act, 1965 aims to regulate the amount of bonus paid to the persons employed in certain establishments based on their profits and productivity. Pursuant to the Payment of Bonus Act, 1965, as amended, an employee in a factory or in any establishment where twenty or more persons are employed on any day during an accounting year, is eligible to be paid a bonus. It further provides for the payment of minimum and maximum bonus and linking the payment of bonus with the production and productivity.

PAYMENT OF GRATUITY ACT, 1972:

The Payment of Gratuity Act is applicable to every factory, mine, oilfield, plantation, port, railway companies and to every shop and establishment in which 10 or more persons are employed or were employed at any time during the preceding twelve months. This Act applies to all employees irrespective of their salary. The Payment of Gratuity Act, as amended, provides for a scheme for payment of gratuity to an employee on the termination of his employment after he has rendered continuous service for not less than 5 years:

- (a) On his/her superannuation;
 - (b) On his/her retirement or resignation;
 - (c) On his/her death or disablement due to accident or disease
- (In this case the minimum requirement of five years does not apply)

THE CHILD LABOUR (PROHIBITION AND REGULATION) ACT, 1986:

The Child Labour (Prohibition & Regulation) Act, 1986, as amended from time to time (“Child Labour Act”) was enacted to prohibit the engagement of children below the age of fourteen years in certain specified occupations and processes and to regulate their conditions of work in certain other employments. No child shall be required or permitted to work in any establishment in excess of such number of hours, as may be prescribed for such establishment or class of establishments. Every child employed in an establishment shall be allowed in each week, a holiday of one whole day, which day shall be specified by the occupier in a notice permanently exhibited in a conspicuous place in the establishment and the occupier shall not alter the day so specified more than once in three months.

TAXATION LAWS

In addition to the aforementioned legislations which are applicable to our Company, some of the tax legislations

that may be applicable to the operations of our Company include:

- Income Tax Act, 1961, the Income Tax Rules, 1962, as amended by Finance Act in respective years;
- Central Goods and Service Tax Act, 2017, the Central Goods and Service Tax Rules, 2017 and various
- state-wise legislations made thereunder;
- The Integrated Goods and Service Tax Act, 2017;
- Professional Tax state-wise legislations;

INTELLECTUAL PROPERTY RIGHT ACTS

THE TRADEMARKS ACT, 1999 (“TRADEMARKS ACT”)

The Trademarks Act provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement. The Trademarks Act also prohibits any registration of deceptively similar trademarks or compounds, among others. It also provides for infringement, falsifying and falsely applying trademarks.

Further, pursuant to the notification of the Trademark (Amendment) Act, 2010 simultaneous protection of trademark in India and other countries has been made available to owners of Indian and foreign trademarks. The Trademark (Amendment) Act, 2010 also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to conform Indian trademark law with international practice.

THE COPYRIGHT ACT, 1957

The Copyright Act, 1957, along with the Copyright Rules, 1958, (collectively, “Copyright Laws”) serve to create property rights for certain kinds of intellectual property, generally called works of authorship. The Copyright Laws protect the legal rights of the creator of an ‘original work’ by preventing others from reproducing the work in any other way. The intellectual property protected under the Copyright Laws includes literary works, dramatic works,

THE PATENTS ACT, 1970 (“PATENTS ACT”)

The patent regime in India is governed by the Patents Act and rules and regulations made thereunder. Pursuant to the TRIPS Agreement, product patent regime with a protection period of 20 years became applicable in India. The patent regime protects inventions through patents. The amended Patents Act defines “inventive step” to mean a feature of an invention that involves a technical advance as compared to the existing knowledge or having economic significance or both and that makes an invention not obvious to a person skilled in the art. Any person claiming to be the true and first inventor of the invention or the assignee of the true and first inventor or the legal representative of any deceased person who was entitled to make an application immediately before death may apply for a patent for an invention.

THE DESIGNS ACT, 2000 (THE “DESIGNS ACT”)

The Designs Act prescribes for the registration of designs. The Designs Act specifically lays down the essentials of a design to be registered and inter alia, provides for application for registration of designs, copyright in registered designs, etc. A ‘Design’ means only the features of shape, configuration, pattern, ornament or composition of lines or combination thereof applied to any article whether two dimensional or three dimensional or in both forms, by any industrial process or means, whether manual, mechanical or chemical, separate or combined, which in the finished article appeal to and are judged solely by the eye, but does not include any mode or principle or construction

or anything which is in substance a mere mechanical device, and expressly excludes works accorded other kinds of protection like property marks, trademarks and copyrights. Any person claiming to be the proprietor of a new or original design may apply for registration of the same before the Controller- General of Patents, Designs and Trade Marks. On registration, the proprietor of the design attains a copyright over the same. The duration of the registration of a design in India is initially ten years from the date of registration. No person may sell, apply for the purpose of sale or import for the purpose of sale any registered design, or fraudulent or obvious imitation thereof.

FOREIGN REGULATIONS

FOREIGN EXCHANGE MANAGEMENT ACT, 1999:

Foreign investment in India is primarily governed by the provisions of FEMA and the rules and regulations promulgated there under. Foreign Exchange Management Act, 1999 (“FEMA”) was enacted to consolidate and amend the law relating to foreign exchange with the objective of facilitating external trade and for promoting the orderly development and maintenance of foreign exchange market in India. FEMA extends to whole of India. This Act also applies to all branches, offices and agencies outside India owned or controlled by a person resident in India 102 and also to any contravention committed thereunder outside India by any person to whom the Act is applies. The Act has assigned an important role to the Reserve Bank of India (RBI) in the administration of FEMA.

FEMA REGULATIONS:

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

THE FOREIGN TRADE (DEVELOPMENT AND REGULATION) ACT, 1992 (“FTA”):

In India, the main legislation concerning foreign trade is FTA. The FTA read along with relevant rules provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. FTA read with the Indian Foreign Trade Policy provides that no export or import can be made by a company without an Importer-Exporter Code number unless such company is specifically exempt. An application for an Importer-Exporter Code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce.

ENVIRONMENTAL LAWS

THE ENVIRONMENT (PROTECTION) ACT OF 1986 (“EPA”)

The EPA has been formulated by the Government of India for the protection and improvement of the environment in India and for matters connected there with. The EPA is an umbrella legislation designated to provide a framework for the Government of India to co-ordinate activities of various state and central authorities established under

previous environmental laws. The EPA vests the Government of India with the power to take any measure it deems necessary or expedient for protecting and improving the quality of the environment and for preventing, controlling and abating environmental pollution. This includes the power to make rules for among other things, determining the quality of environment, standards for emission of discharge of environment pollutants from various sources, inspection of any premises, plan, equipment, machinery, examination of manufacturing processes and materials likely to cause pollution.

THE AIR (PREVENTION AND CONTROL OF POLLUTION) ACT, 1981, (“AIR ACT”)

The Air Act has been enacted to provide for the prevention, control and abatement of air pollution. The Air Act was enacted with a view to protect the environment and surroundings from any adverse effects of the pollutants that may emanate from any factory or manufacturing operation or activity. It lays down the limits with regard to emissions and pollutants that are a direct result of any operation or activity. Periodic checks on the factories are mandated in the form of yearly approvals and consents from the corresponding Pollution Control Boards in a state. Pursuant to the provisions of the Air Act, any person, establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant State Pollution Control Board prior to establishing or operating such industrial plant. The State Pollution Control Board is required to grant consent within a period of four months of receipt of an application, but may impose conditions relating to pollution control equipment to be installed at the facilities. No person operating any industrial plant in any air pollution control area is permitted to discharge the emission of any air pollutant in excess of the standards laid down by the State Pollution Control Board.

THE WATER (PREVENTION AND CONTROL OF POLLUTION) ACT, 1974, (“WATER ACT”)

The Water Act aims to prevent and control water pollution as well as restore water quality by establishing and empowering the Central Pollution Control Board and the State Pollution Control Boards. Under the Water Act, any person establishing any industry, operation or process, any treatment or disposal system, use of any new or altered outlet for the discharge of sewage or new discharge of sewage, must obtain the consent of the relevant State Pollution Control Board, which is empowered to establish standards and conditions that are required to be complied with. In certain cases, the State Pollution Control Board may cause the local Magistrates to restrain the activities of such person who is likely to cause pollution. Penalty for the contravention of the provisions of the Water Act include imposition of fines, or imprisonment, or both.

THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

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

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

The MSMED Act provides for the memorandum of micro, small and medium enterprises to be submitted by the relevant enterprises to the prescribed authority. While it is compulsory for medium enterprises engaged in manufacturing to submit the memorandum, the submission of the memorandum by micro and small enterprises engaged in manufacturing is optional. The MSMED Act defines a supplier to mean a micro or small enterprise that has filed a memorandum with the concerned authorities. The MSMED Act ensures that the buyer of goods makes payment for the goods supplied to him immediately or before the date agreed upon between the buyer and supplier.

The MSMED Act provides that the agreed period cannot exceed forty-five days from the day of acceptance of goods it also stipulates that in case the buyer fails to make payment to the supplier within the agreed period, then the buyer will be liable to pay compound interest at three times of the bank rate notified by the Reserve Bank of India from the date immediately following the date agreed upon. The MSMED Act also provides for the establishment of the Micro and Small Enterprises Facilitation Council (—Council“). The Council has jurisdiction to act as an arbitrator or conciliator in a dispute between the supplier located within its jurisdiction and a buyer located anywhere in India.

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

GENERAL LEGISLATIONS

THE INDIAN CONTRACT ACT, 1872:

The Indian Contract Act, 1872 (“Contract Act”) codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The Contract Act also provides for circumstances under which contracts will be considered as ‘void’ or ‘voidable’. The Contract Act contains provisions governing certain special contracts, including indemnity, guarantee, bailment, pledge, and agency.

THE COMPETITION ACT, 2002:

The Competition Act, 2002 prohibits anti-competitive agreements, abuse of dominant positions by enterprises and regulates “combinations” in India. The Competition Act also established the Competition Commission of India (the “CCI”) as the authority mandated to implement the Competition Act. Combinations which are Likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act. The obligation to notify a combination to the CCI falls upon the acquirer in case of an acquisition, and on all parties to the combination jointly in case of a merger or amalgamation.

THE INDIAN STAMP ACT, 1899

Under the Indian Stamp Act, 1899, stamp duty is payable on instruments evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. Stamp duty must be paid on all instruments specified under the Stamp Act at the rates specified in the schedules to the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state.

THE REGISTRATION ACT, 1908

The purpose of the Registration Act, amongst other things, is to provide a method of public registration of documents so as to give information to people regarding legal rights and obligations arising or affecting a particular property, and to perpetuate documents which may afterwards be of legal importance, and also to prevent fraud.

NEGOTIABLE INSTRUMENTS ACT, 1881

In India, the laws governing monetary instruments such as cheques are contained in the Negotiable Instruments Act, 1881. The Act provides effective legal provision to restrain people from issuing cheques without having sufficient funds in their account or any stringent provision to punish them in the event of such cheque not being honored by their bankers and returned unpaid. Section 138 of the Act, creates statutory offence in the matter of dishonor of cheques on the ground of insufficiency of funds in the account maintained by a person with the banker which is punishable with imprisonment for a term which may extend to two year, or with fine which may extend to twice the amount of the cheque, or with both.

PROPERTY RELATED LAWS

The Company is required to comply with central and state laws in respect of property. Central Laws that may be applicable to our Company's operations include the Land Acquisition Act, 1894, the Transfer of Property Act, 1882, Registration Act, 1908, Indian Stamp Act, 1899, and Indian Easements Act, 1882. In addition, regulations relating to classification of land may be applicable. Usually, land is broadly classified under one or more categories such as residential, commercial or agricultural. Land classified under a specified category is permitted to be used only for such specified purpose. Where the land is originally classified as agricultural land, in order to use the land for any other purpose the classification of the land is required to be converted into commercial or industrial purpose, by making an application to the relevant municipal or town and country planning authorities. In addition, some State Governments have imposed various restrictions, which vary from state to state, on the transfer of property within such states. Land use planning and its regulation including the formulation of regulations for building construction, form a vital part of the urban planning process. Various enactments, rules and regulations have been made by the Central Government, concerned State Governments and other authorized agencies and bodies such as the Ministry of Urban Development, State land development and/or planning boards, local municipal or village authorities, which deal with the acquisition, ownership, possession, development, zoning, planning of land and real estate. Each state and city has its own set of laws, which govern planned development and rules for construction (such as floor area ratio or floor space index limits). The various authorities that govern building activities in states are the town and country planning department, municipal corporations and the urban arts commission.

LIMITATION ACT, 1963

The law relating to Law of Limitation to India is the Limitation Act, 1859 and subsequently Limitation Act, 1963 which was enacted on 5th of October, 1963 and which came into force from 1st of January, 1964 for the purpose of consolidating and amending the legal principles relating to limitation of suits and other legal proceedings. The basic concept of limitation is relating to fixing or prescribing of the time period for barring legal actions. According to Section 2 (j) of the Limitation Act, 1963, period of limitation 'means the period of limitation prescribed for any suit, appeal or application by the Schedule, and prescribed period 'means the period of limitation computed in accordance with the provisions of this Act.

OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

HISTORY OF OUR COMPANY

COMPANY OVERVIEW

Our Company was incorporated as a private limited company with the name of "Supreme Power Equipment Private Limited" under the Companies Act, 1956 vide certificate of incorporation dated June 21, 2005, issued by Registrar of Companies, Chennai, bearing CIN U31200TN2005PTC056666. Further, our company was converted into a Public Limited Company in pursuance of a special resolution passed by the members of our Company at the Extra Ordinary General Meeting held on August 31, 2023 & name of our Company changed from Supreme Power Equipment Private Limited to Supreme Power Equipment Limited & Registrar of Companies, Chennai has issued a new certificate of incorporation consequent upon conversion dated September 18, 2023, bearing CIN U31200TN2005PLC056666.

BUSINESS OVERVIEW

Our Company is currently engaged in the areas of manufacturing, up-gradation, and refurbishment of transformers ranging from Power Transformer, Generator Transformer, Windmill Transformer, Distribution Transformer, Isolation Transformer, Solar Transformer, Energy Efficient Transformer, Converter and Rectifier Transformer.

INDUSTRY WE CATER

- Power Transformers are used across various sectors and industries to facilitate the efficient transmission and distribution of electrical power.
- Generator transformers are specialized transformers used primarily in the power generation sector, particularly in power plants and large-scale industrial facilities.
- Windmill transformers, often referred to as wind turbine transformers or wind farm transformers, are specialized transformers used in the wind energy sector. These transformers serve important functions in the generation and distribution of electricity from wind turbines.
- Distribution transformers are essential components in the electrical power sector, residential sector, commercial sector,
- Solar transformers, play a crucial role in the solar energy sector by transmission of power.

Background of Promoters

We have 2 (Two) Individual Promoters "Mr. Vee Rajmohan", Managing Director" and "Mr. K V Pradeep Kumar", Whole Time Director" of the Company.

"Mr. Vee Rajmohan" aged 52 years, is the and "Managing Director", "Chairman" and "Promoter" of the company having vast experience in business of more than 30 Years. With an extensive and storied career, Mr. Rajmohan has delved deep into the intricacies of electrical transformers, manufacturing, and applications. Beyond the drawing board, they have overseen the manufacturing process, ensuring adherence to stringent industry standards and exacting quality control protocols. These seasoned experts are well-versed in navigating the complex landscape of industry regulations and commercial and finance standards, regional, to ensure compliance and product excellence.

"Mr. K V Pradeep Kumar", aged 52 Years, is the "Whole Time Director" and Promoter of the company. He is a Technocrat with a vast experience of more than 30 Years in this field and has handled Power Transformers upto

100MVA/230KV. His wealth of experience extends to embracing technological innovations, witnessing the transformation of transformer technologies over the years. He is likely to be at the forefront of adopting cutting-edge advancements, such as digital monitoring systems and eco-friendly insulation materials, to push the boundaries of transformer capabilities.

CHANGES IN OUR REGISTERED OFFICE

The Registered Office of the Company is presently situated at No.55, SIDCO Industrial Estate, Thirumazhisai, Thiruvallur Chennai Tamil Nadu- 600124. The details of change of Registered Office of the Company are as follows:

| Sr. No. | Date of Change | Shifted from | Shifted to | Reason |
|---------|----------------|--|---|--|
| 1. | 13-07-2023 | No. 16, Susmith Apartment, Kandappan Colony, Gill Nagar, Choolamedu Chennai 600094 | No.55, SIDCO Industrial Estate, Thirumazhisai, Thiruvallur Chennai Tamil Nadu- 600124 | The Company has after due deliberation has changed its registered office to ensure better administration and operational efficiencies, effective decision making and facilitate smoother day-to-day management of the Company. |

MAIN OBJECTS OF OUR COMPANY

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

To carry on the business of Manufacturing, assembling, fabrication of Transformer of all varieties, Electrical Transmission equipments and control units, erection, commission and testing of high tension lines, Electrical distribution panels, Electrical, Electronic and Mechanical apparatus for any purpose and to deal, sell, supply, in accumulators, Lamps, Meters, engines, dynamic batteries.

AMENDMENTS TO THE MOA OF OUR COMPANY SINCE INCORPORATION:

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

| Date of Amendment | Particulars of Amendment |
|-------------------|--|
| 10-01-2007 | Alteration in Memorandum of Association due to increase in Authorized share capital. The Authorized Share Capital was increased from existing Rs. 10,00,000 /- to Rs. 1,00,00,000/- |
| 28-12-2007 | Alteration in Memorandum of Association due to increase in Authorized share capital. The Authorized Share Capital was increased from existing Rs. 1,00,00,000 /- to Rs. 1,50,00,000/- |
| 27-03-2008 | Alteration in Memorandum of Association due to increase in Authorized share capital. The Authorized Share Capital was increased from existing Rs. 1,50,00,000 /- to Rs. 2,50,00,000/- |
| 12-03-2014 | Alteration in Memorandum of Association due to increase in Authorized share capital. The Authorized Share Capital was increased from existing Rs. 2,50,00,000 /- to Rs. 5,00,00,000/- |
| 13-07-2023 | Alteration in Memorandum of Association due to increase in Authorized share capital. The Authorized Share Capital was increased from existing Rs. 5,00,00,000 /- to Rs. 25,00,00,000/- |

| | |
|------------|--|
| 13-07-2023 | Sub-division of shares due to Authorized Share Capital Rs. 25,00,00,000/- divided into 2,50,00,000 Equity shares of Rs. 10 each. |
| 31-08-2023 | Alteration of Name clause of Memorandum of Association and subsequently the company was converted from Private Limited Company into Public Company |

KEY EVENTS AND MILESTONES:

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

| Year | Particulars |
|-------------|--|
| 2005 | Incorporation of Company |
| 2007 | Alteration in Memorandum of Association due to increase in Authorized share capital. The Authorized Share Capital was increased from existing Rs. 10,00,000 /- to Rs. 1,00,00,000/- |
| 2007 | Alteration in Memorandum of Association due to increase in Authorized share capital. The Authorized Share Capital was increased from existing Rs. 1,00,00,000 /- to Rs. 1,50,00,000/- |
| 2008 | Alteration in Memorandum of Association due to increase in Authorized share capital. The Authorized Share Capital was increased from existing Rs. 1,50,00,000 /- to Rs. 2,50,00,000/- |
| 2014 | Alteration in Memorandum of Association due to increase in Authorized share capital. The Authorized Share Capital was increased from existing Rs. 2,50,00,000 /- to Rs. 5,00,00,000/- |
| 2023 | Alteration in Memorandum of Association due to increase in Authorized share capital. The Authorized Share Capital was increased from existing Rs. 5,00,00,000 /- to Rs. 25,00,00,000/- |
| 2023 | Sub Division of shares due to Authorized Share Capital Rs. 25,00,00,000/- divided into 2,50,00,000 Equity shares of Rs. 10 each. |
| 2023 | Alteration of Name clause of Memorandum of Association and subsequently the company was converted from Private Limited Company into Public Company |

DETAILS OF BUSINESS OF OUR COMPANY

For details on the description of Our Company's activity, business model, marketing strategy, strength, completion of business, please see "Our Business", "Management Discussion and Analysis of Financial Conditions" and "Basis for Issue Price" on page 114, 246, 89 of this Prospectus respectively.

HOLDING COMPANY OF OUR COMPANY

Our Company does not have any Holding Company as on the date of filing of this Prospectus. For Further details regarding our Holding Company.

SUBSIDIARY COMPANY OF OUR COMPANY

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

JOINT VENTURES OR ASSOCIATES PARTNERSHIP FIRMS

Except mentioned here our company have not promoted any Joint Venture or any associates partnership firm:

DANYA ELECTRIC COMPANY

Corporate Information

| | |
|------------------------------|---|
| Name | Danya Electric Company |
| Status | Partnership firm |
| Firm Registration No. | FR/Chennai South/930/1983 |
| Date of Registration | December 23, 1983 |
| Nature of Business | To carry on the business of production, manufacturing of Transformers and repair and recondition of the same. |
| Work Address | Survey No. 512/2A, Nayapakkam High Road, Thiruvallur District, Papparambakkam – 602025 |

Partners

The Partners of Danya Electric Company as on the date of this Prospectus are as follows:

| S.No. | Name of the Designated Partners | Designation |
|-------|---------------------------------|-------------|
| 1. | Mr. K V Pradeep | Partner |
| 2. | Mr. Vee Rajmohan | Partner |
| 3. | Supreme Power Equipment Limited | Partner |

Profit sharing ratio:

Profit sharing ratio of Danya Electric Company as on the date of this prospectus are as follows:

| S.No. | Partner Name | Profit/Loss Sharing Ratio |
|--------------|---------------------------------|---------------------------|
| 1. | Mr. K V Pradeep | 2.5% |
| 2. | Mr. Vee Rajmohan | 7.5% |
| 3. | Supreme Power Equipment Limited | 90.00% |
| TOTAL | | 100% |

JAI BHARAT EXCHANGERS

Corporate Information

| | |
|---------------------------|---|
| Name | Jai Bharat Exchangers |
| Status | Partnership firm |
| Nature of Business | To carry on the business of fabrication of Transformers tanks and accessories. |
| Work Address | 169, SIDCO Industrial Estate, Thirumazhisai, Chennai, Thiruvallur, Tamil Nadu, 600124 |

Partners

The Partners of Jai Bharat Exchangers as on the date of this Prospectus are as follows:

| S.No. | Name of the Designated Partners | Designation |
|-------|---------------------------------|-------------|
| 1. | K V Pradeep | Partner |
| 2. | Mr. Vee Rajmohan | Partner |

Profit sharing ratio:

Profit sharing ratio of Jai Bharat Exchangers as on the date of this prospectus are as follows:

| S.No. | Partner Name | Profit/Loss Sharing Ratio |
|--------------|------------------|---------------------------|
| 1. | Mr. K V Pradeep | 50.00% |
| 2. | Mr. Vee Rajmohan | 50.00% |
| TOTAL | | 100% |

OTHER DECLARATIONS AND DISCLOSURES

Our Company is not a listed entity and its securities have not been refused listing at any time by any recognized stock exchange in India or abroad. Further, Our Company has not made any Public Issue or Rights Issue (as defined in the SEBI ICDR Regulations) in the past. No action has been taken against Our Company by any Stock Exchange or by SEBI. Our Company is not a sick company within the meaning of the term as defined in the Sick Industrial Companies (Special Provisions) Act, 1985. Our Company is not under winding up nor has it received a notice for striking off its name from the relevant Registrar of Companies.

FUND RAISING THROUGH EQUITY OR DEBT

For details in relation to our fund-raising activities through equity and debt, please refer to the chapters titled “*Capital Structure*” beginning on page number 57 respectively, of this Prospectus.

REVALUATION OF ASSETS

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

CHANGES IN THE ACTIVITIES OF OUR COMPANY HAVING A MATERIAL EFFECT

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

INJUNCTIONS OR RESTRAINING ORDERS

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

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS /BANKS

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

STRIKES AND LOCK-OUTS

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

TIME AND COST OVERRUNS IN SETTING UP PROJECTS

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

SHAREHOLDERS’ AGREEMENT

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

OTHER AGREEMENTS

As on the date of this Prospectus our Company has not entered into any agreements other than those entered into in the ordinary course of business and there are no material agreements entered into more than two years before the date of this Prospectus.

STRATEGIC PARTNERS

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

FINANCIAL PARTNERS

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

ACQUISITION OF BUSINESS / UNDERTAKINGS

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

However, our company entered into a deed of reconstruction of Registered Partnership Firm having Registration No. FR/Chennai South/930/1983 which forms part of group entities i.e. Danya Electric Company on 01 April, 2022 and the deed entered between Mr. K. V. Pradeep, Mr. Vee Rajmohan, and Supreme Power Equipment Limited in respect of change in profit sharing ratio without changing the object of the business of the firm.

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

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

NUMBER OF SHAREHOLDER OF OUR COMPANY

Our Company has 8 (Eight) shareholders as on date of this Prospectus. For further details on the Shareholding Pattern of our Company, please refer to the Chapter titled “Capital Structure” beginning on page 57 of this Prospectus.

DETAILS OF PAST PERFORMANCE

For details of Change of management, please see chapter titled “Our Business” and “Our History and certain corporate matters” on page 114, 147 respectively of this Prospectus.

DETAILS OF FINANCIAL PERFORMANCE

For details in relation to our financial performance in the previous five financial years, including details of non-recurring items of income, refer to section titled “Financial Statements” beginning on page 182 of this Prospectus.

COLLABORATION AGREEMENT

As on the date of this Prospectus, our Company has not entered into collaboration agreements.

OUR MANAGEMENT

BOARD OF DIRECTORS

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

| S. N. | Name | DIN | Category | Designation |
|-------|--------------------------------|----------|---------------|------------------------------|
| 1. | Mr. Vee Rajmohan | 00844400 | Executive | Chairman & Managing Director |
| 2. | Mr. K V Pradeep Kumar | 10218276 | Executive | Whole Time Director |
| 3. | Mr. Devaraja Iyer Krishna Iyer | 09290465 | Non-Executive | Non- Independent Director |
| 4. | Mr. Perumal Ravikumar | 09683689 | Non-Executive | Independent Director |
| 5. | Ms. Saimathy Soupramanien | 07657046 | Non-Executive | Independent Director |

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

| S.N. | Name, DIN, Date of Birth, Qualification, Designation, Occupation, Address, Nationality and Term | Age | No. of Equity Shares held & % of pre issue shareholding | Other Directorship/partner |
|------|--|-------------|---|---|
| 1 | <p>Mr. Vee Rajmohan</p> <p><i>Designation:</i> Chairman and Managing Director</p> <p><i>Address:</i> No. 34/44, G-1, Pasumpon Muthuramalingam Street, Rajaji Colony, Tamil Nadu - 600092</p> <p><i>Date of Birth:</i> 09-05-1971</p> <p><i>Occupation:</i> Business</p> <p><i>Nationality:</i> Indian</p> <p><i>Term:</i> 3 Years From 31-08-2023</p> <p><i>Date of First Appointment:</i> 21-06-2005</p> <p><i>Date of Appointment as MD:</i> 31-08-2023</p> <p><i>DIN:</i> 00844400</p> | 52 Years | 77,37,930 Equity Shares (43.44% of the Pre -issue shareholding) | <p>Indian Companies Nil</p> <p>Indian Companies Nil</p> <p>Section 8 companies Nil</p> <p>Indian LLPs Nil</p> |
| 2 | <p>Mr. K V Pradeep Kumar</p> <p><i>Designation:</i> Whole Time Director</p> <p><i>Address:</i> F-2 New No. 28, Old No. 43 B, Gill Nagar 2nd Street, Choolaimedu, Chennai, Tamil Nadu 600094</p> <p><i>Date of Birth:</i> 26-06-1971</p> | 52 Years | 51,26,905 Equity Shares (28.78% of the Pre -issue shareholding) | <p>Indian Companies Nil</p> <p>Indian Companies Nil</p> <p>Section 8 companies Nil</p> <p>Indian LLPs Nil</p> |

| | | | | |
|---|---|-------------|-----|---|
| | <p>Occupation: Service</p> <p>Nationality: Indian</p> <p>Term: 3 Years From 31-08-2023</p> <p>Date of Appointment: 31-08-2023</p> <p>DIN: 10218276</p> | | | |
| 3 | <p>Mr. Devaraja Iyer Krishna Iyer</p> <p>Designation: Non-Independent Director</p> <p>Address: Pallickamadam, Asharam Road, Kalady, P.O., Ernakulam Kerela 683574 India</p> <p>Date of Birth: 01-11-1954</p> <p>Qualification: Bsc (Engg) – Electrical, M. Tech (Power System)</p> <p>Occupation: Business</p> <p>Nationality: Indian</p> <p>Date of Appointment: 31-08-2023</p> <p>DIN: 09290465</p> | 68 Years | Nil | <p>Indian Companies Nil</p> <p>Indian Companies Nil</p> <p>Section 8 companies Nil</p> <p>Indian LLPs Nil</p> <p>Private Public</p> |
| 4 | <p>Mr. Perumal Ravikumar</p> <p>Designation: Independent Director</p> <p>Address: Prestige Bella Vista Apartment, 11153, 13th Floor, Tower Eleven, Ayyappangal, Kottupakkam, Mount Poonamallea Road, Kattupakkam, Kancheepuram Tamil Nadu 600056</p> <p>Date of Birth: 17-02-1970</p> <p>Qualification: Bachelor of Science, Chemistry</p> <p>Occupation: Service</p> <p>Nationality: Indian</p> <p>Term: 5 Years from 31-08-2023</p> <p>Date of Appointment: 31-08-2023</p> <p>DIN: 09683689</p> | 53 Years | Nil | <p>Indian Companies Nil</p> <p>Indian Companies Nil</p> <p>Section 8 companies Nil</p> <p>Indian LLPs Nil</p> <p>Private Public</p> |
| 5 | <p>Ms. Saimathy Soupramanien</p> <p>Designation: Independent Director</p> <p>Address: 69 Shanmuga, Velayutha Muthaliyar Street, Pondicherry 605001</p> <p>Date of Birth: 28-01-1975</p> | 47 Years | Nil | <p>Indian Companies 1. Saga Business Development Private Limited</p> <p>Indian Companies Nil</p> <p>Section 8 companies</p> <p>Private Public</p> |

| | | |
|---|--|---|
| <p>Qualification: LLM(Administrative Law and Labour law) and Associate member of Institute of Company Secretaries of India (ICSI).</p> <p>Occupation: Business</p> <p>Nationality: Indian</p> <p>Term: 5 Years from 31-08-2023</p> <p>Appointed on: 31-08-2023</p> <p>DIN: 07657046</p> | | <p>Nil</p> <p>Indian LLPs</p> <p>Nil</p> |
|---|--|---|

BRIEF PROFILE OF THE DIRECTORS OF OUR COMPANY

Vee Rajmohan: The Managing Director i.e., Mr. Vee. Rajmohan has completed his Intermediate and enrolled for Bachelor of Engineering as his undergraduate program and having more than Three Decades experience is expertised in the commercial and technical sectors. Mr. Rajmohan has started his carrier from M/s. Venuss Herbo Aromatics Private Limited, Rajapalayam, Tamilnadu as Works Manager in the year 1990 and was in charge for the unit from construction to dispatch. His work area comprises of designing, extraction, erection of machineries and testing equipments till commissioning of the same was done by him. He with his field knowledge commenced the commercial operation of the unit. He has associated with M/s. Venuss Herbo Aromatics Private Limited until 2001. Thereafter, he established a Partnership Firm in the name and style of SUPREME POWER EQUIPMENTS in the year of 2001 catering to the Distribution Transformer requirements to cater our Local Electric Utility i.e., **Tamilnadu Electricity Board.**

In 2005, the partnership firm i.e., SUPREME POWER EQUIPMENTS was reconstituted as a private limited with facilities in all the sectors raised to manufacture and test Power and Distribution transformers upto 25MVA/132KV class under the name of SUPREME POWER EQUIPMENT PRIVATE LIMITED (SPEL). Since then, he was responsible for smooth operation of the Company and currently serving as Managing Director of the Company.

K V Pradeep Kumar: Mr. K.V. Pradeep whole time director of the Company has completed his Intermediate and completed Bachelor of Engineering as his undergraduate program and having experience of more than three decades in the field of Transformer Manufacturing and he is a Technocrat with a technical expertise in all the segments. His carrier was started from M/s. Indotech Transformers Limited (PROLEC GE), Chennai as Trainee Engineer (Quality Assurance) in the year 1991. In the year of 1997, he was promoted as Head – Quality Assurance to oversee design, production and testing of 100MVA/230KV class transformers. He, along with Mr. Vee Rajmohan established the partnership firm i.e., SUPREME POWER EQUIPMENTS. He is expertised in the Technical Specification of special type transformers such as Windmill and Inverter Duty Transformers involving Critical Design aspects to be adopted in the manufacture of these transformers. He developed the design and supplied a huge quantum of the same to almost all windmills and solar plants. Since then, he has been associated with the Company and is currently serving as whole time director.

Mr. Devaraja Iyer Krishna Iyer, aged 68 years, is the “Non-Executive Non-Independent Director” of the company. He is in the field of High Voltage Large Capacity Power Transformers, EHV SF6 gas circuit breakers, instrument transformers, bus ducts, EHV switchyards. He had a training with Hitachi, Japan, AREVA- Germany. He has 46 years of experience in Electrical Power Systems, especially in Transformer Design and Production. He served TELK, Angamally, Keralla in various positions from Trainee Engineer to AGM from 1977- 2007. From 2007 to 2011, her served as General manager, Design- AREVA, Naini and as Vice President-ECE Transformers.

Sonapet from 2011-2012. He was the plant head in Prime Meiden Transformers- Naidupet, Andra Pradesh from 2012- 2019.

Mr. Perumal Ravikumar, aged 53 years, is the Independent Director of the Company. Perumal Ravikumar aged 53 years has 33 years of rich and combined expertise in Talent Acquisition, Performance Management, Employee Relations, The driver of strategies & Business plans, Quality Sourcing, Administrative & People Management, Handling PAN INDIA [36 states] & ASIA -PACIFIC Region. He holds Certifications 10 Years in Indian Insurance Industry.

Ms. Saimathy Soupramanien, aged 47 Years, is the “Independent Director” of the company. is a LLM (Administrative Law and Labour law) from Pondicherry university, and a Associate member of Institute of Company Secretaries of India (ICSI). She has more than 25 years of work experience as an Advocate and Company Secretary. She has a working experience in VSL India private Limited, Jain Housing & Constructions Limited and Trimex Industries Private Limited. She is now practicing as a Company Secretary for more than 10 years. and she has handled various important assignment like, Preferential issue, Demerger, amalgamation, Reduction of share capital and re-listing of shares after capital reduction, Compliance of various applicable laws to Corporate, implementation of Corporate Governance, matters. She has rich knowledge in legal, accounting, finance and Taxation.

Note:

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

- 1) *None of the Promoters, persons forming part of our Promoter Group, our Directors or persons in control of our Company or our Company are debarred by SEBI from accessing the capital market.*
- 2) *None of the Promoters, Directors or persons in control of our Company, have been or are involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.*

FAMILY RELATIONSHIP BETWEEN DIRECTORS

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

Details of current and past directorship(s) in listed companies whose shares have been / were suspended from being traded on the stock exchanges and reasons for suspension.

None of our Directors is / was a director in any listed company during the last five years before the date of filing of this Prospectus, whose shares have been / were suspended from being traded on the any stock exchange.

Details of current and past directorship(s) in listed companies which have been/ were delisted from the stock exchange(s) and reasons for delisting.

None of our Directors are currently or have been on the board of directors of a public listed company whose shares have been or were delisted from any stock exchange.

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

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

TERMS AND CONDITIONS OF EMPLOYMENT OF THE DIRECTORS

i. Executive Directors

| | |
|--|---|
| Name | Mr. Vee Rajmohan |
| Designation | Managing Director and Chairman |
| Period | 3 Years From 31-08-2023 |
| Date of approval of shareholder | 31-08-2023 |
| Remuneration | 5,00,000/- Per Month |
| Perquisite | Re-imbursement of Medical, leave travel Allowance, Furnished Accommodation, Company maintained Car, Club Membership, variable pay bonus and other perquisites and all cost and other charges incurred by him in the discharge and execution of his duties as Managing Director. |
| Name | Mr. K V Pradeep Kumar |
| Designation | Whole Time Director |
| Period | 3 Years From 31-08-2023 |
| Date of approval of shareholder | 31-08-2023 |
| Remuneration | 4,50,000/- Per Month |
| Perquisite | Re-imbursement of Medical, leave travel Allowance, Furnished Accommodation, Company maintained Car, Club Membership, variable pay bonus and other perquisites and all cost and other charges incurred by him in the discharge and execution of his duties as Whole Time Director. |

ii. Non-Executive Directors and Independent Director

Our Company will not pay any remuneration to the Independent Directors of our company except the applicable sitting fee and reimbursement of expenses as per the Companies Act, 2013. The sitting fees shall be paid to the Non-Executive Directors and Independent Directors as per the terms and conditions mentioned in their letter of appointment.

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

SHAREHOLDING OF DIRECTORS IN OUR COMPANY

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

| Sr. No. | Name of the Directors | No. of Equity Shares held | % of pre-issue paid-up Equity Share capital in our Company |
|----------------|------------------------------|----------------------------------|---|
| 1. | Mr. Vee Rajmohan | 77,37,930 | 43.44% |
| 2. | Mr. K V Pradeep Kumar | 51,26,905 | 28.78% |

INTEREST OF DIRECTORS

All of our Directors may be deemed to be interested to the extent of fees payable to them (if any) for attending meetings of the Board or a committee thereof as well as to the extent of remuneration payable to them for their services as Directors of our Company and reimbursement of expenses as well as to the extent of commission and other remuneration, if any, payable to them under our Articles of Association. Some of the Directors may be deemed to be interested to the extent of consideration received/paid or any loans or advances Provided to anybody corporate including companies and firms, and trusts, in which they are interested as directors, members, partners or trustees.

All our directors may also be deemed to be interested to the extent of Equity Shares, if any, already held by them or their relatives in our Company, or that may be subscribed for and allotted to our non-promoter Directors, out of the present Issue and also to the extent of any dividend payable to them and other distribution in respect of the said Equity Shares.

The Directors may also be regarded as interested in the Equity Shares, if any, held or that may be subscribed by and allocated to the companies, firms and trusts, if any, in which they are interested as directors, members, partners, and/or trustees.

Our Directors may also be regarded interested to the extent of dividend payable to them and other distribution in respect of the Equity Shares, if any, held by them or by the companies/firms/ventures promoted by them or that may be subscribed by or allotted to them and the companies, firms, in which they are interested as Directors, members, partners and promoters, pursuant to this Issue. All our Directors may be deemed to be interested in the contracts, agreements/ arrangements entered into or to be entered into by the Company with either the Directors himself, other company in which they hold directorship or any partnership firm in which they are partners, as declared in their respective declarations.

Interest in promotion of Our Company

Except Promoter, none of our directors have any interest in the promotion of our Company.

Interest in the property of Our Company

The Registered Office of the company situated at No.55, SIDCO Industrial Estate, Thirumazhisai, Thiruvallur Chennai Tamil Nadu- 600124 which is owned by the company.

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

Interest in the business of Our Company

Save and except as stated otherwise in “Related Party Transaction” in the chapter titled “*Financial Information*” beginning on page number 182 of this Prospectus, our directors do not have any other interests in our Company as on the date of this Prospectus. Our directors are not interested in the appointment of Underwriters, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

Details of service contracts

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

Except statutory benefits upon termination of their employment in our Company or retirement, no officer of our Company, including the directors and key Managerial personnel, are entitled to any benefits upon termination of or retirement from employment.

Bonus or profit-sharing plan for the directors

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

Contingent and deferred compensation payable to directors

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

Other indirect interest

Except as stated in chapter titled “*Financial Information*” beginning on page 182 of this Prospectus, none of our sundry debtors or beneficiaries of loans and advances are related to our directors.

Borrowing power of the Board

In terms of the special resolution passed at an Annual General Meeting of our Company held on September 29, 2023 and pursuant to Section 180(1)(c) and any other applicable provisions, of the Companies Act, 2013 and the rules made thereunder, consent of members of the Company has been accorded to borrow from time to time, any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business), may exceed the aggregate of the paid up capital of the Company and free reserve, provided that the total outstanding amount so borrowed, shall not at any time exceed the limit of Rs. 75.00 Crores.

Further the Company in pursuance to section 180(1)(a) has passed a resolution in the aforesaid Annual General Meeting, which was held on September 29, 2023 to create charge on the assets of the company to secure borrowings upto Rs. 75/- crores.

CHANGES IN THE BOARD FOR THE LAST THREE YEARS

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

| Name of Director | Date of Event | Reason for Change |
|--------------------------------|----------------------|---|
| Mr. Vee Rajmohan | 31-08-2023 | Change in Designation from Director to Managing Director and Chairman |
| Mr. K V Pradeep Kumar | 31-08-2023 | Appointment as Whole Time Director |
| Mr. Devaraja Iyer Krishna Iyer | 31-08-2023 | Appointment as Non Executive Non Independent Director |
| Mr. Perumal Ravikumar | 31-08-2023 | Appointment as Independent Director |
| Ms. Saimathy Soupramanien | 31-08-2023 | Appointment as Independent Director |

| | | |
|--------------------|------------|---|
| Ms. Savita Pradeep | 15-09-2023 | Ms. Savita Pradeep has, taking into account her age and ongoing health issues, tendered her resignation from the directorship of the Company on 15-09-2023. |
|--------------------|------------|---|

Management Organizational Structure

For Management Organizational Structure please refer to the chapter titled “Our Business” on page number 114 of this Prospectus.

CORPORATE GOVERNANCE

In additions to the applicable provisions of the Companies Act, 2013 with respect to the Corporate Governance, provisions of the SEBI Listing Regulations will be applicable to our company immediately up on the listing of Equity Shares on the Stock Exchanges. As on date of this Prospectus, as our Company is coming with an issue in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, the requirement specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V is not applicable to our Company, although we require to comply with requirement of the Companies Act, 2013 wherever applicable. Our Company has complied with the corporate governance requirement, particularly in relation to appointment of independent directors including woman director on our Board, constitution of an Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

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

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee
4. Corporate Social Responsibility Committee
5. Risk Management Committee

AUDIT COMMITTEE

The Audit Committee was constituted *vide* Board resolution dated September 04, 2023 pursuant to Section 177 of the Companies Act, 2013. As on the date of this Prospectus, the Audit Committee comprises of:

| Name of the Director | Designation in the Committee | Nature of Directorship |
|---------------------------|------------------------------|------------------------|
| Ms. Saimathy Soupramanien | Chairman | Independent Director |
| Mr. Perumal Ravikumar | Member | Independent Director |
| Mr. Vee Rajmohan | Member | Managing Director |

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

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

1. Oversight the Company’s financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.

2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required being included in the Directors Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Review and monitor the auditor's independence and performance and effectiveness of the audit process.
8. Approval of any transactions of the Company with Related Parties, including any subsequent modification thereof.
9. Scrutiny of inter-corporate loans and investments.
10. Valuation of undertakings or assets of the Company, wherever it is necessary.
11. Evaluation of internal financial controls and risk management systems.
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors on any significant findings and follow up thereon.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
18. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
20. Carrying out any other function as it mentioned in the terms of reference of the Audit Committee.

The Audit Committee enjoys following powers:

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

The Audit Committee shall mandatorily review the following information:

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

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

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

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee was constituted at a meeting of the Board of Directors held on September 04, 2023. As on the date of this Prospectus the Nomination and Remuneration Committee comprises of:

| Name of the Director | Designation in the Committee | Nature of Directorship |
|-------------------------------|------------------------------|--|
| Mr. Perumal Ravikumar | Chairman | Independent Director |
| Ms. Saimathy Soupramanien | Member | Independent Director |
| Mr. Devaraj Iyer Krishna Iyer | Member | Non Executive Non Independent Director |

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

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

1. Formulation of the criteria for determining qualification, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, Key Managerial Personnel and other employees.
2. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
3. Devising a policy on diversity of the Board of Directors.
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria, laid down, and recommend to the Board of Directorstheir appointment and removal.
5. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
6. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

The Meetings of the Committee shall be held at such regular intervals as may be required. The quorum will be either two members or one third of the members of the Nomination and Remuneration Committee whichever is greater, including at least one independent director.

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

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholder's Relationship Committee has been formed by the Board of Directors, at the meeting held on September 04, 2023. As on the date of this Prospectus the Stakeholder's Relationship Committee comprises of:

| Name of the Director | Designation in the Committee | Nature of Directorship |
|-------------------------------|-------------------------------------|--|
| Mr. Perumal Ravikumar | Chairman | Independent Director |
| Ms. Saimathy Soupramanien | Member | Independent Director |
| Mr. Devaraj Iyer Krishna Iyer | Member | Non Executive Non Independent Director |

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

This Committee supervises all grievances of Shareholders and Investors and its terms of reference include the following:

1. Allotment and listing of our shares in future
2. Redressing of shareholders and investor complaints such as non-receipt of declared dividend, annual report, transfer of Equity Shares and issue of duplicate/split/consolidated share certificates;
3. Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer/transmission of shares and debentures;
4. Reference to statutory and regulatory authorities regarding investor grievances;
5. To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
6. And to do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.

The stakeholder's relationship is required to meet at least once in a year.

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

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee has been formed by the Board of Directors, at the meeting held on September 04, 2023. As on the date of this Prospectus the Initial Public Offer Committee comprises of:

| Name of the Director | Designation in the Committee | Nature of Directorship |
|-----------------------------|-------------------------------------|-------------------------------|
| Mr. Vee Rajmohan | Chairman | Managing Director |
| Ms. Saimathy Soupramanien | Member | Independent Director |
| Ms. Perumal Ravikumar | Member | Independent Director |

The Company Secretary and Compliance officer shall act as the secretary of the Corporate Social Responsibility Committee.

The terms of reference of the Corporate Social Responsibility Committee include the following:

Duties of the CSR Committee

1. The CSR Committee will formulate and recommend a CSR policy to the Board. CSR policy shall point out the activities to be undertaken by the company as enumerated in Schedule VII of the Act.
2. CSR Committee will recommend the amount of expenditure to be incurred on the CSR activities to be undertaken by the company.
3. CSR Committee will monitor the CSR policy of the Company from time to time.
4. The CSR Committee will establish a transparent controlling mechanism for the implementation of the CSR projects or programs or activities undertaken by the company.

CSR Reporting

With respect to CSR Reporting, the provisions are as follows :

1. The Board's Report referring to any financial year initiating on or after the 1st day of April 2014 shall include an annual report on CSR.
2. In the case of a foreign company, the balance sheet filed shall contain an Annexure regarding a report on CSR.

CSR Policy

CSR Policy elaborates the activities to be undertaken by the Company as named in Schedule VII to the Act. The activities should not be the same which are done by the company in its normal course of business. Additionally, the Act provides the following in relation to CSR Policy:

1. Contents of CSR Policy should be placed on the company's website by the Board.
2. The activities mentioned in the policy must be undertaken by the company.
3. The company can join hands with other companies for undertaking projects or programs or CSR activities and report separately on such programs or projects.
4. The CSR policy shall monitor the projects or programs.

RISK MANAGEMENT COMMITTEE

The Risk Management Committee has been formed by the Board of Directors, at the meeting held on September 04, 2023. As on the date of this Prospectus the Initial Public Offer Committee comprises of:

| Name of the Director | Designation in the Committee | Nature of Directorship |
|---------------------------|------------------------------|------------------------|
| Mr. Vee Rajmohan | Chairman | Managing Director |
| Ms. Saimathy Soupramanien | Member | Independent Director |
| Mr. Perumal Ravikumar | Member | Independent Director |

The Company Secretary and Compliance Officer shall act as the secretary of the Risk Management Committee.

The terms of reference of the Risk Management Committee include the following:

1. Approve and periodically review the risk management policies of the Corporation's operations;
2. Review significant reports from regulatory agencies relating to risk management and compliance issues, and management's responses.
3. Policies and procedures establishing risk management governance, risk management procedures, and risk control infrastructure for operations; and
4. Review and approve the Corporation's risk appetite statement on an annual basis; approve any material amendment to the risk appetite statement;
5. Review and approve the Contingency Funding Plan contained in the Corporation's Liquidity Policy at least annually, and approve any material revisions to this plan prior to implementation;
6. Review significant risk exposures and the steps, including policies and procedures, that management has taken to identify, measure, monitor, control, limit and report such exposures, including, without limitation, credit, market, fiduciary, liquidity, reputational, operational, fraud, strategic, technology (data-security, information, business-continuity risk, etc.), and risks associated with incentive compensation plans;
7. Evaluate risk exposure and tolerance;
8. Review and evaluate the Corporation's practices with respect to risk assessment and risk management;
9. Review reports and significant findings of Risk and Compliance and the Internal Audit Department with respect to the risk management and compliance activities of the Corporation, together with management's responses and follow-up to these reports, and
10. To evaluate various risks of the business and to draw out a risk management plan for the Company;
11. To take steps to identify and mitigate Information Technology and Cyber Security Risks that the Company is or may be exposed to, on a regular basis.
12. To monitor and review risk management and mitigation plan of the Company;
13. To inform board on the effectiveness of the risk management framework and process of risk management;

Compliance with SME Listing Regulations

The provisions of the SEBI (Listing Obligation and Disclosures) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on Emerge Platform of NSE.

KEY MANAGERIAL PERSONNEL

Our Company is managed by our Board of Directors, assisted by qualified professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel of our Company:

| | | |
|--|---|--|
| Name | : | Mr. Vee Rajmohan |
| Designation | : | Managing Director and Chairman |
| Date of Appointment | : | 21-06-2005 |
| Date of Appointment (Managing Director) | : | 31-08-2023 |
| Term of Office | : | 3 Years from 31-08-2023 |
| Expiration of Term | : | 30-08-2026 |
| Previous Employment | : | Not Applicable |
| Overall Experience | : | He is “Managing Director”, “Chairman” and “Promoter” of the company. With an extensive and storied career, Mr. Rajmohan has delved deep into the intricacies of electrical transformers, manufacturing, and applications. Beyond the drawing board, they have overseen the manufacturing process, ensuring adherence to stringent industry standards and exacting quality control protocols. These seasoned experts are well-versed in navigating the complex landscape of industry regulations and commercial and finance standards, regional, to ensure compliance and product excellence. |
| Remuneration paid in F.Y. 2022-23) | : | Mr. Vee Rajmohan was appointed as Managing Director on 31-08-2023 he has received any remuneration in financial year 2022-23 in the capacity of Managing Director. |

| | | |
|--|--|--|
| Name | | Mr. K V Pradeep Kumar |
| Designation | | Whole Time Director |
| Date of Appointment (Whole Time Director) | | 31-08-2023 |
| Term of Office | | 3 Years from 31-08-2023 |
| Expiration of Term | | 30-08-2026 |
| Overall Experience | | He is “Whole Time Director” and Promoter of the company. He is a Technocrat with a vast experience of more than 30 Years in this field and has handled Power Transformers upto 100MVA/230KV. His wealth of experience extends to embracing technological innovations, witnessing the transformation of transformer technologies over the years. He is likely to be at the forefront of adopting cutting-edge advancements, such as digital monitoring systems and eco-friendly insulation materials, to push the boundaries of transformer capabilities. |
| Remuneration paid in F.Y. 2022-23) | | Mr. K V Pradeep Kumar was appointed as Whole Time Director on 31-08-2023 he has received any remuneration in financial year 2022-23 in the capacity of Whole Time Director. |

| | | |
|---|---|--|
| Name | : | Thulasiraman Boologa Nathan |
| Designation | : | Chief Financial Officer (CFO) |
| Date of Appointment | : | 04-09-2023 |
| Qualification | : | B. Com and ICWA (Inter) |
| Previous Employment | : | Worked as a Sr. Manager (Finance & Accounts) in M/s. Vetrivel Forgings |
| Overall Experience | : | He is Chief Financial Officer of our company & has been appointed on 04-09-2023. He has vast experience of Finance, Accounts, Costing and Budgeting of more than 30 years. |
| Remuneration paid in F.Y. 2022-23) | : | Mr. Nathan was appointed as CFO on 04-09-2023, therefore no remuneration has been received by him in the financial year 2022-23. |

| | | |
|--------------------|---|--|
| Name | : | Priyanka Bansal |
| Designation | : | Company Secretary & Compliance Officer |

| | | |
|---|---|--|
| Date of Appointment | : | 01-10-2023 |
| Qualification | : | Company Secretary |
| Previous Employment | : | Krishana Phoschem Limited (A unit of Ostwal Group of Industries) |
| Overall Experience | : | She is Company Secretary & Compliance Officer of our company & has been appointed on 01-10-2023. She has more than 6 years experience in of Rule and all Rules & Regulations of SEBI, Ministry of Corporate Affairs, NSDL, & CSDL. |
| Remuneration paid in F.Y. 2022-23) | : | Priyanka Bansal was appointed as Company Secretary & Compliance Officer on 01-10-2023, therefore no remuneration has been received by him in the financial year 2022-23. |

Notes:

- *All of our Key Managerial Personnel mentioned above are on the payrolls of our Company as permanent employees.*
- *There is no agreement or understanding with major shareholders, consumers, suppliers or others pursuant to which any of the above mentioned personnel was selected as a director or member of senior management.*
- *None of our Key Managerial Personnel has entered into any service contracts with our company and no benefits are granted upon their termination from employment other than statutory benefits provided by our Company. However, our Company has appointed certain Key Managerial Personnel for which our company has not executed any formal service contracts; although they are abide by their terms of appointments.*

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FAMILY RELATIONSHIP BETWEEN KMP

None of the KMP of the Company are related to each other as per section 2(77) of the Companies Act, 2013.

BONUS AND/ OR PROFIT-SHARING PLAN FOR THE KEY MANAGERIAL PERSONNEL

Our Company does not have any bonus and / or profit-sharing plan for the key managerial personnel.

CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO KEY MANAGERIAL PERSONNEL

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation.

SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

Except the following, none of our Key Managerial Personnel is holding any Equity Shares in our Company as on the date of this Prospectus:

| S. No | Name of the KMP | Designation | No. of Equity Shares held | % of pre-issue paid-up Share capital |
|--------------|------------------------|---------------------|----------------------------------|---|
| 1. | Mr. Vee Rajmohan | Managing Director | 77,37,930 | 43.44% |
| 2. | Mr. K V Pradeep Kumar | Whole Time Director | 51,26,905 | 28.78% |

INTEREST OF KEY MANAGERIAL PERSONNEL

None of our key managerial personnel have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to our Company as per the terms of their appointment and reimbursement of expenses incurred by them during the ordinary course of business.

CHANGES IN OUR COMPANY'S KEY MANAGERIAL PERSONNEL DURING THE LAST THREE YEARS

Following have been the changes in the Key Managerial Personnel (KMP) during the last three years:

| Sr. No. | Name of KMP | Date of Event | Reason for Change |
|----------------|---------------------------------|----------------------|---|
| 1. | Mr. Vee Rajmohan | 31-08-2023 | Appointment as Managing Director |
| 2. | Mr. K V Pradeep Kumar | 31-08-2023 | Appointment as Whole Time Director |
| 3. | Mr. Thulasiraman Boologa Nathan | 04-09-2023 | Appointment as Chief Financial Officer |
| 4. | Ms. Priyanka Bansal | 01-10-2023 | Appointment as Company Secretary and Compliance Officer |
| 5. | Ms. Savita Pradeep | 15-09-2023 | Resignation from the Directorship |

Note: Other than the above changes, there have been no changes to the key managerial personnel of our Company that are not in the normal course of employment.

SCHEME OF EMPLOYEE STOCK OPTIONS OR EMPLOYEE STOCK PURCHASE

Our Company does not have any Employee Stock Option Scheme or other similar scheme giving options in our Equity Shares to our employees.

LOANS TO KEY MANAGERIAL PERSONNEL

Except as provided in restated financial statement in the chapter “*Financial Information*” beginning on page 182 of the prospectus, there are no loans outstanding against the key managerial personnel as on the date of this Prospectus.

PAYMENT OF BENEFITS TO OFFICERS OF OUR COMPANY (NON-SALARY RELATED)

Except for the payment of salaries and perquisites and reimbursement of expenses incurred in the ordinary course of business, and the transactions as enumerated in the chapter titled “*Financial Information*” and the chapter titled “*Our Business*” beginning on pages 182 and 114 respectively of this Prospectus, we have not paid/given any benefit to the officers of our Company, within the two preceding years nor do we intend to make such payment/give such benefit to any officer as on the date of this Prospectus.

RETIREMENT BENEFITS

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company.

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OUR PROMOTERS


The Promoters of our Company are:

| S. N. | Name | Category | No. of Shares |
|-------|-----------------------|------------|---------------|
| 1. | Mr. Vee Rajmohan | Individual | 77,37,930 |
| 2. | Mr. K V Pradeep Kumar | Individual | 51,26,905 |

For details of the build-up of our promoters' shareholding in our Company, see section titled "Capital Structure" beginning on page 57 of this Prospectus.

Brief Profile of Our Individual Promoters is as under:

| | |
|--|---|
|  | <p>Mr. Vee. Rajmohan has completed his Intermediate and enrolled for Bachelor of Engineering as his undergraduate program and having more than Three Decades experience is expertised in the commercial and technical sectors. Mr. Rajmohan has started his carrier from M/s. Venuss Herbo Aromatics Private Limited, Rajapalayam, Tamilnadu as Works Manager in the year 1990 and was in charge for the unit from construction to dispatch. His work area comprises of designing, extraction, erection of machineries and testing equipments till commissioning of the same was done by him. He with his field knowledge commenced the commercial operation of the unit. He has associated with M/s. Venuss Herbo Aromatics Private Limited until 2001. Thereafter, he established a Partnership Firm in the name and style of SUPREME POWER EQUIPMENTS in the year of 2001 catering to the Distribution Transformer requirements to cater our Local Electric Utility i.e., Tamilnadu Electricity Board.</p> <p>In 2005, the partnership firm i.e., SUPREME POWER EQUIPMENTS was reconstituted as a private limited with facilities in all the sectors raised to manufacture and test Power and Distribution transformers upto 25MVA/132KV class under the name of SUPREME POWER EQUIPMENT PRIVATE LIMITED (SPEL). Since then, he was responsible for smooth operation of the Company and currently serving as Managing Director of the Company.</p> |
| Name | Mr. Vee Rajmohan |
| Age | 52 Years |
| Date of Birth | 09-05-1971 |
| Address | No. 34/44, G-1, Pasumpon Muthuramalingam Street, Rajaji Colony, Tamil Nadu - 600092 |
| Occupation | Business |
| Experience | 20+ Years |
| No. of Equity Shares & % Of Shareholding (Pre-Offer) | 77,37,930 Equity Shares (43.44% of the pre- issue equity share capital of the company) |
| Directorship & Other Ventures | <p>Indian Private Companies:</p> <p>NIL</p> <p>Indian Public Companies:</p> <p>NIL</p> <p>Section 8 Companies:</p> <p>NIL</p> |

| | |
|---|---|
| | Indian LLPs: NIL |
|  | Mr. K.V. Pradeep whole time director of the Company has completed his Intermediate and completed Bachelor of Engineering as his undergraduate program and having experience of more than three decades in the field of Transformer Manufacturing and he is a Technocrat with a technical expertise in all the segments. His carrier was started from M/s. Indotech Transformers Limited (PROLEC GE), Chennai as Trainee Engineer (Quality Assurance) in the year 1991. In the year of 1997, he was promoted as Head – Quality Assurance to oversee design, production and testing of 100MVA/230KV class transformers. He, along with Mr. Vee Rajmohan established the partnership firm i.e., SUPREME POWER EQUIPMENTS. He is expertised in the Technical Specification of special type transformers such as Windmill and Inverter Duty Transformers involving Critical Design aspects to be adopted in the manufacture of these transformers. He developed the design and supplied a huge quantum of the same to almost all windmills and solar plants. Since then, he has been associated with the Company and is currently serving as whole time director. |
| Name | Mr. K V Pradeep Kumar |
| Age | 52 Years |
| Date of Birth | 26-06-1971 |
| Address | F-2 New No. 28, Old No. 43 B, Gill Nagar 2nd Street, Choolaimedu, Chennai, Tamil Nadu 600094 |
| Occupation | Service |
| Experience | 20+ Years |
| No. of Equity Shares & % Of Shareholding (Pre-Offer) | 51,26,905 Equity Shares (28.78% of the pre- issue equity share capital of the company) |
| Directorship & Other Ventures | Indian Private Companies: NIL Indian Public Companies: NIL Section 8 Companies: NIL Indian LLPs: NIL |

Relationship of Promoters with our Directors

Our Promoters are part of our board of directors as Managing Directors and/or Whole Time Director. None of our Promoter(s) are related to any of our Company's Directors within the meaning of Section 2 (77) of the Companies Act, 2013.

OTHER UNDERTAKINGS AND CONFIRMATIONS

- Our Company undertakes that the details of Permanent Account Number, Bank Account Number, Aadhar and Passport Number of the Promoters will be submitted to the Emerge Platform of NSE, where the securities of

our Company are proposed to be listed at the time of submission of Draft Red Herring Prospectus.

- Our Promoters have confirmed that they have not been identified as willful defaulters.
- No violations of securities laws have been committed by our Promoters in the past or are currently pending against them. None of our Promoters are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

INTEREST OF PROMOTERS

Interest in promotion of Our Company

Our Promoters are interested in the promotion of our Company in their capacity as a shareholder of our Company and having significant control over the management and influencing policy decisions of our Company.

Interest in the property of Our Company

The Registered Office of the company situated at No.55, SIDCO Industrial Estate, Thirumazhisai, Thiruvallur Chennai Tamil Nadu- 600124 is in name of the company. Hence, Promoters has no interest in the property of the company.

Beside aforementioned, our Promoters do not have any interest in any property acquired by or proposed to be acquired by our Company two years prior to filing of this Prospectus.

Interest as member of Our Company

Our Promoters hold 1,28,64,835 Equity Shares aggregating to 72.23% of pre-issue Equity Share Capital in our Company and are therefore interested to the extent of their respective shareholding and the dividend declared, if any, by our Company. Except to the extent of their respective shareholding in our Company and benefits provided to Mr. Vee Rajmohan and Mr. K V Pradeep Kumar given in the chapter titled *-Our Management* beginning on page number 153 of this Prospectus, our Promoters hold no other interest in our Company.

Interest as Director of our Company

Except as stated in the *“Related Party Transactions”* beginning on page number 178 of the Prospectus, our Promoters / Directors, may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of our Board or Committees thereof as well as to the extent of remuneration and/or reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and in terms of our AOA.

Other Ventures of our Promoters

Save and except as disclosed in the chapters titled *“Our Group Entities”* beginning on page 175 of the Prospectus, there are no other ventures of our Promoters in which they have business interests/other interests.

Change in the control of Our Company

Current Promoters are the original promoters of our Company. For details regarding the shareholding of our corporate promoters, please refer to chapter titled “Our Promoters” of this Prospectus.

Litigation involving our Promoters.

For details of legal and regulatory proceedings involving our Promoters, please refer chapter titled “*Outstanding Litigation and Material Developments*” beginning on page 261 of this Prospectus.

Payment of benefits to our Promoters and Promoter Group during the last two years

Save and except as disclosed under “*Statement of Related Party Transactions*”, as Restated appearing as Annexure 31 on page number 205 of the section titled “*Financial Information*” beginning on page number 182 of the Prospectus, there has been no Payment or benefit to promoters during the two (2) years preceding the date of filing of this Prospectus, nor is there any intention to pay or give any benefit to our Promoters as on the date of this Prospectus.

Other Confirmations

As on the date of this Prospectus, our Promoters and members of our Promoter Group have not been prohibited by SEBI or any other regulatory or governmental authority from accessing capital markets for any reasons. Further, our Promoters were not and are not promoters or persons in control of any other company that is or has been debarred from accessing the capital markets under any order or direction made by SEBI or any other authority. There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority against our Promoters during the last five (5) years preceding the date of this Prospectus, except as disclosed under chapter titled “*Outstanding Litigation and Material Developments*” beginning on page 261 of this Prospectus.

Our Promoters and members of our Promoter Group have neither been declared as a wilful defaulters nor as a fugitive economic offender as defined under the SEBI (ICDR) Regulations, and there are no violations of securities laws committed by our Promoters in the past and no proceedings for violation of securities laws are pending against our Promoters.

Guarantees

Except as stated in the section titled “*Financial Statements*” beginning on page 182 of this Prospectus, there are no material guarantees given by the Promoters to third parties with respect to specified securities of the Company as on the date of this Prospectus.

Related Party Transactions

For details of related party transactions entered into by our Company, please refer to “*Statement of Related Party Transactions*”, as Restated appearing as Annexure 31 on page number 205 of the section titled “*Financial Information*” beginning on page number 182 of the Prospectus.

Information of our group companies

For details related to our group companies please refer “Our Group Entities” on page no. 175 of this Prospectus.

OUR PROMOTER GROUP

Our Promoters and Promoter Group in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations is as under

A. Natural Persons who form part of our Promoter Group:

The following natural persons being the immediate relatives of our Promoters in terms of the SEBI (ICDR) Regulations 2018 form part of our Promoter Group:

| Promoters | <i>Mr. Vee Rajmohan</i> | <i>Mr. K V Pradeep Kumar</i> |
|-----------------------|--|----------------------------------|
| Father | R Velusami | K Viswambaran Nair |
| Mother | V Ganga | D Usha Devi |
| Spouse | R Sasikala | Savita Pradeep |
| Brothers | Velusami Balasubramanian and Rajagopal V Rajagopalan | - |
| Sister | - | Priya |
| Son | - | Tarun Pradeep and Tejas P |
| Daughters | R Sribarati and R Vibbha | - |
| Spouse Father | Alagarsamy Tirumeni | Late Raghavan Sudhakaranpillai |
| Spouse Mother | A Sarojni | Thankamani S Pillai |
| Spouse Brother | Gunasekaran Alagarsamy, Sathya Moorthy Alagarsamy and Chandrasekaran and A.Sasikumar | - |
| Spouse Sister | A Chandra | Sunitha R Nair and Sarita Pillai |

B. Companies, partnership and proprietorship firms forming part of our Promoter Group are as follows:

| Particulars | Entity |
|---|-----------------------|
| Any body corporate in which 20% or more of the share capital is held by the promoters or an immediate relative of the promoters or a firm or HUF in which the promoters or any one or more of his immediate relative is a member. | Nil |
| Any company in which a company (mentioned above) holds 20% of the total holding | Nil |
| Any HUF or firm in which the aggregate share of the promoters and his relatives is equal to or more than 20% of the total holding. | Jai Bharat Exchangers |

COMMON PURSUITS OF OUR PROMOTERS

The promoter Group entities are having business objects similar to our business. Further, currently we have entered into a non-compete agreement/arrangement with our corporate promoter. Such a conflict of interest may have adverse effect on our business and growth. We shall adopt the necessary procedures and practices as permitted by law to address any conflict situations, as and when they may arise.

OUR GROUP ENTITIES

As per the Regulation 2 (t) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and on the basis of Accounting Standard (AS) 21 (Consolidated Financial Statements) below mention are the details of Companies / Entities are the part of our group entities. No equity shares of our group entities are listed on any of the stock exchange, and they have not made any public or rights issue of securities in the preceding three years.

A. The Group Companies of our Company are as follows:

NIL

B. Other Group Entities:

The details of our Group entities are provided as follows:

DANYA ELECTRIC COMPANY

Corporate Information

| | |
|------------------------------|---|
| Name | Danya Electric Company |
| Status | Partnership firm |
| Firm Registration No. | FR/Chennai South/930/1983 |
| Date of Registration | December 23, 1983 |
| Nature of Business | To carry on the business of production, manufacturing of Transformers and repair and recondition of the same. |
| Work Address | Survey No. 512/2A, Nayapakkam High Road, Thiruvallur District, Papparambakkam – 602025 |

Partners

The Partners of Danya Electric Company as on the date of this Prospectus are as follows:

| S.No. | Name of the Designated Partners | Designation |
|-------|---------------------------------|-------------|
| 1. | Mr. K V Pradeep Kumar | Partner |
| 2. | Mr. Vee Rajmohan | Partner |
| 3. | Supreme Power Equipment Limited | Partner |

Profit sharing ratio:

Profit sharing ratio of Danya Electric Company as on the date of this prospectus are as follows:

| S.No. | Partner Name | Profit/Loss Sharing Ratio |
|--------------|---------------------------------|---------------------------|
| 1. | Mr. K V Pradeep Kumar | 2.5% |
| 2. | Mr. Vee Rajmohan | 7.5% |
| 3. | Supreme Power Equipment Limited | 90.00% |
| TOTAL | | 100% |

Financial Performance

Certain details of the financials of Danya Electric Company are set forth below:

(Amount in Lakhs)

| Particulars | FY 2022 | FY 2021 | FY 2020 |
|--------------------|----------|----------|---------|
| Capital | 586.19 | 398.00 | 268.41 |
| Sales | 3,161.85 | 3,823.62 | 1900.91 |
| Net Profit/ (Loss) | 255.86 | 61.11 | 28.70 |

JAI BHARAT EXCHANGERS

Corporate Information

| | |
|---------------------------|---|
| Name | Jai Bharat Exchangers |
| Status | Partnership firm |
| Nature of Business | To carry on the business of fabrication of Transformers tanks and accessories. |
| Work Address | 169, SIDCO Industrial Estate, Thirumazhisai, Chennai, Thiruvallur, Tamil Nadu, 600124 |

Partners

The Partners of Jai Bharat Exchangers as on the date of this Prospectus are as follows:

| S.No. | Name of the Designated Partners | Designation |
|--------------|--|--------------------|
| 1. | Mr. K V Pradeep Kumar | Partner |
| 2. | Mr. Vee Rajmohan | Partner |

Profit sharing ratio:

Profit sharing ratio of Jai Bharat Exchangers as on the date of this prospectus are as follows:

| S.No. | Partner Name | Profit/Loss Sharing Ratio |
|--------------|-----------------------|----------------------------------|
| 1. | Mr. K V Pradeep Kumar | 50.00% |
| 2. | Mr. Vee Rajmohan | 50.00% |
| TOTAL | | 100% |

Financial Performance

Certain details of the financials of Jai Bharat Exchangers are set forth below:

(Amount in Lakhs)

| Particulars | FY 2022 | FY 2021 | FY 2020 |
|--------------------|----------------|----------------|----------------|
| Capital | 9.00 | 9,00,000 | 9,00,000 |
| Sales | 386.01 | 367.31 | 209.11 |
| Net Profit/ (Loss) | 19.21 | 5.97 | 2.77 |

DECLARATIONS

- None of the entities in the Promoter Group Companies is restrained by any SEBI Order or have ever become defunct.
- None of the entities in the Promoter Group Companies is listed at any Stock Exchange nor have such entities made any public issue or right issue in the preceding three years.
- None of the entities in the Promoter Group Companies has become a sick company under the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 nor is under winding up or liquidation.

LITIGATIONS

For details on litigations and disputes pending against our Promoter Group and Group Companies please refer to the section titled “Outstanding Litigations and Material Developments” on page 261 of the Prospectus.

DEFUNCT GROUP COMPANIES

There are no defunct Group Companies of our Company as on the date of this Prospectus.

UNDERTAKING / CONFIRMATIONS

Our Promoters and Group Companies confirm that they have not been declared as a willful defaulter by the RBI or any other governmental authority and there have been no violations of securities laws committed by them or any entities they are connected with in the past and no proceedings pertaining to such penalties are pending against them.

None of the Promoters or Promoter Group Companies or persons in control of the Promoters has been:

- i) Prohibited from accessing the capital market under any order or direction passed by SEBI or any other authority; or
- ii) Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad. None of the Promoters is or has ever been a promoter, director or person in control of any other company, which is debarred from accessing the capital markets under any order or direction passed by the SEBI.

DISASSOCIATION BY THE PROMOTERS IN THE LAST THREE YEARS

None of our promoters have disassociated themselves from the any entities/firms during the preceding three years.

OTHER DETAILS OF GROUP COMPANIES/ENTITIES:

1. There are no defaults in meeting any statutory/ bank/ institutional dues.
2. No proceedings have been initiated for economic offences against our Group Companies/Entities.

NATURE AND EXTENT OF INTEREST OF GROUP COMPANIES

(a) In the promotion of our Company

None of our Group Companies have any interest in the promotion of our Company or any business interest or other interests in our Company, except to the extent identified in chapter titled “Financial Information” and Annexure 31, “Related Party Transaction” on page 205 of this Prospectus.

(b) In the properties acquired or proposed to be acquired by our Company in the past 2 years before filing the Prospectus with Stock Exchange

Our Group Companies do not have any interest in the properties acquired or proposed to be acquired by our Company in the past 2 years before filing this Prospectus with Stock Exchange.

(c) In transactions for acquisition of land, construction of building and supply of machinery

None of our Group Companies is interested in any transactions for the acquisition of land, construction of buildings or supply of machinery.

RELATED PARTY TRANSACTION

For details on related party transactions of our Company, please refer to Annexure 31 of Restated Financial Statements beginning on page 182 of this Prospectus.

This space is left blank intentionally.

DIVIDEND POLICY

Under the Companies Act, an Indian company pays dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders, who have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors, under the Companies Act, dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both.

Our Company does have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion.

Dividends are payable within 30 days of approval by the Equity Shareholders at the Annual General Meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the “record date” are entitled to be paid the dividend declared by our Company.

Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by our Company.

We have not declared dividend in any Financial Year.

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DIVIDEND DISTRIBUTION POLICY

Approved by the Board on October 03, 2023

1. Background

The Dividend Distribution Policy (“Policy”) is formulated by **Supreme Power Equipment Limited** (“the **Company**”), in accordance with Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 and shall act as a guidance to the Board/Company during recommendation/declaration of Dividends.

2. Objective

The Policy establishes the principles to ascertain amounts that can be distributed to equity shareholders as dividend by the Company as well as enable the Company strike balance between pay-out and retained earnings, in order to address future needs of the Company. The objective of this Policy is to lay down the criteria and parameters that are to be considered by the Board of Directors of the Company while deciding on the declaration/recommendation of Dividend from time to time. This Policy is applicable to dividend declared/recommended on the equity shares of the Company, including interim dividend and final dividend.

3. Parameters to be considered for declaration of Dividend

The Board of Directors of the Company will consider the following parameters while recommending / declaring Dividend:

3.1 Financial Parameters / Internal Factors:

1. Standalone / net operating profit after tax;
2. Operating cash flow of the Company for the year.
3. Liquidity position, aggregate Debt of the Company (both standalone and consolidated), debt service coverage position, etc.
4. Loan repayment and Working capital requirements;
5. Capital expenditure requirements;
6. Resources required for funding acquisitions, mergers and / or new businesses;
7. Cash flow required for meeting tax demands and other contingencies;
8. Regulatory (and growth requirement of) Capital Adequacy;
9. Regulatory (and growth requirement of) Solvency;
10. Trend of dividends paid in the past years;
11. Dividend receipt from subsidiaries;
12. Any windfall, extra-ordinary or abnormal gains made by the Company and
13. Any other factor not explicitly covered above but which is likely to have a significant impact on the Company.

3.2 External Factors:

14. Prevailing legal requirements, regulatory restrictions laid down under the applicable laws including tax laws and changes made in accounting standards;
15. Dividend pay-out ratios of companies in the same industry.
16. Any other factor that has a significant influence / impact on the Company’s working / financial position of the Company

The Board of Directors may additionally recommend special dividend in special circumstances.

4. Circumstances under which the shareholders may not expect Dividend

The shareholders of the Company may not expect Dividend under the following circumstances :

- 1.1 In the event of inadequacy of profits or whenever the Company has incurred losses;
- 1.2 Significant cash flow requirements towards higher working capital requirements /tax demands / or others, adversely impacting free cash flows;
- 1.3 An impending / ongoing Capital expenditure program or any acquisitions or investment in joint ventures requiring significant allocation of capital;
- 1.4 Allocation of cash required for buy-back of securities and
- 1.5 Any of the above referred internal or external factors restraining the Company from considering dividend.
- 1.6 In any other circumstances where the Board, in its judgment, determines the declaration of dividends to not be in the best interests of the Company and the Shareholders.

5. Utilization of retained earnings

The Company may declare Dividend out of the profits of the Company for the year or out of the profits of any previous year or years or out of the free reserves available for distribution of Dividend, after having due regard to the parameters laid down in this policy. Profits retained in the business will be invested in the business / operations of the Company and may be used for augmenting working capital, repayment of borrowings, funding capital expenditure / acquisition(s) and for all other corporate purposes.

6. Parameters to be adopted with regard to various classes of shares

At present, the authorized, issued, subscribed and paid-up share capital of the Company comprises only of equity shares.

Currently, the Company has issued one class of equity shares with equal voting rights. As and when the Company issues different class of shares, the Board of Directors may suitably amend this policy.

7. Procedure

- 1.1 The dividend proposal placed before the Board for consideration shall be in terms of this policy.
- 1.2 The Company shall ensure compliance of provisions of applicable Laws and this policy in relation to Dividend declared by the Company.

8. Disclosure

The Company shall make appropriate disclosures as required under the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, as amended from time to time.

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SECTION VI – FINANCIAL INFORMATION

FINANCIAL STATEMENT AS RESTATED

Independent Auditor's Examination Report on Restated Consolidated Financial Information of Supreme Power Equipment Limited (Formerly Known as Supreme Power Equipment Private Limited)

To,
The Board of Directors
Supreme Power Equipment Limited,
(Formerly Known as Supreme Power Equipment Private Limited),
55, SIDCO Industrial Estate, Thirumazhisai
Poonamallee, Tiruvallur,
Tamil Nadu- 600124.

Dear Sirs,

We have examined the attached Restated Consolidated Financial Information of **Supreme Power Equipment Limited (Formerly Known as Supreme Power Equipment Private Limited)** and its invested Partnership Firm namely Danya Electric Company incorporated on December 23, 1983 and (the Company and its invested Partnership firm together referred to as the "**Group**"), comprising the Restated Consolidated Statement of Assets and Liabilities as at July 31 2023, March 31, 2023, the Restated Consolidated Statement of Profit and Loss and the Restated Consolidated Cash Flow Statement for the years ended July 31 2023, March 31, 2023, the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively referred to as, the "**Restated Consolidated Financial Information**"), as approved by the Board of Directors of the Company at their meeting held on 05-10-2023 for the purpose of inclusion in the Draft Red Herring Prospectus/Red Herring Prospectus prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO") on **SME Platform of National Stock Exchange of India Limited ("NSE EMERGE")**.

These restated Consolidated Summary Statement have been prepared in terms of the requirements of:

- (a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "**Act**")
 - (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**ICDR Regulations**"); and
 - (c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("**ICAI**"), as amended from time to time (the "**Guidance Note**").
1. The Company's Board of Directors is responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in the Draft Red Herring Prospectus/Red Herring Prospectus to be filed with Securities and Exchange Board of India, Registrar of Companies, Tamil Nadu and the Stock Exchange in connection with the proposed IPO. The Restated Consolidated Financial Information have been prepared by the management of the Company on the basis of preparation stated in Annexure 4 to the Restated Consolidated Financial Information. The responsibilities of the Board of Directors of the Company include designing, implementing, and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

2. We have examined such Restated Consolidated Financial Information taking into consideration:
 - a. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated June 14, 2023 in connection with the proposed IPO of equity shares of **Supreme Power Equipment Limited (Formerly Known as Supreme Power Equipment Private Limited)** (the “Issuer Company”) on SME platform of National Stock Exchange of India Limited (“NSE EMERGE”);
 - b. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
 - c. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; and
 - d. The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.
3. These Restated Consolidated Financial Information have been compiled by the management from:
 - a) Audited Special Purpose Consolidated Financial Statements of the Group for the year ended on March 31, 2023 prepared in accordance with Accounting Standard as prescribed under section 133 of the Act read with Companies (Accounting Standards) Rules as amended, and other accounting principles generally accepted in India, which has been approved by the Board of Directors at their meeting held on 05-10-2023.
 - b) Audited Consolidated Financial Statements of the Group for the year ended on March 31, 2023 prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act read with Companies (Accounting Standards) Rules as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on 05-10-2023.
4. We have Audited the Special Purpose Consolidated Financial Statements of the Group for the period ended on July 31, 2023, and Audited the Consolidated financial statements of the Group for the financial year ended March 31, 2023 prepared in accordance with the Indian GAAP for the limited purpose of complying with the requirement of getting its financial statements audited by an audit firm holding a valid peer review certificate issued by the “Peer Review Board” of the ICAI as required by ICDR Regulations in relation to the proposed IPO, which have been approved by the Board of Directors. We have issued our report dated 05-10-2023 on this Special Purpose Consolidated Financial Information to the Board of Directors who have approved these in their meeting held on 05-10-2023.
5. For the purpose of our examination, we have relied on:
 - a. Auditor’s Report issued by us dated October 5, 2023 on the Financial Statement of the Company for the period from 01/04/2023 to 31/07/2023 and for the year ended March 31, 2023 respectively,
6. There were no qualifications in the Audit Reports issued by us as at and for the years ended on July 31, 2023 and March 31, 2023 which would require adjustments in this Restated Consolidated Financial Information of the Company
7. Based on our examination and according to the information and explanations given to us, we report that:
 - a) The Restated Consolidated Summary Statements have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any;
 - b) The Restated Consolidated Summary Statements do not require any adjustments for the matter(s) giving rise

to modifications mentioned in paragraph7 above.

- c) The Restated Consolidated Summary Statements have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
 - d) The Restated Consolidated Summary Statements have been made after incorporating adjustments for prior period and other material amounts in the respective financial years to which they relate, if any and there are no qualifications which require adjustments;
 - e) Extra-ordinary items that need to be disclosed separately in the accounts has been disclosed wherever required;
 - f) There was no change in accounting policies, which need to be adjusted in the Restated Consolidated Summary Statement except as mentioned in Other Matter Paragraph of our Auditor's report referred in Paragraph 5 above. The details of Prior period Adjustments are given in Annexure 5 of the Restated Consolidated Financial Statements.
8. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company as at and for the period ended on July 31,2023 and March 31, 2023 proposed to be included in the Draft Red Herring Prospectus/Red Herring Prospectus.

| Annexure No. | Particulars |
|---------------------|---|
| 1 | Consolidated Financial Statement of Assets and Liabilities as Restated |
| 2 | Consolidated Financial Statement of Profit and Loss as Restated |
| 3 | Consolidated Financial Statement of Cash Flow as Restated |
| 4 | Significant Accounting Policy and Notes to the Restated Consolidated Summary Statements |
| 5 | Adjustments made in Restated Consolidated Financial Statements/ Regrouping Notes |
| 6 | Statement of Share Capital as restated |
| 7 | Statement of Reserves and Surplus as restated |
| 8 | Statement of Minority Interest as restated |
| 9 | Statement of Long-Term Borrowings as restated |
| 10 | Statement of Deferred tax liability as restated |
| 11 | Statement of Long-Term Provisions as restated |
| 12 | Statement of Short-Term Borrowings as restated |
| 13 | Statement of Trade Payables as restated |
| 14 | Statement of Other Current Liabilities as restated |
| 15 | Statement of Short-Term Provisions as restated |
| 16 | Statement of Property, Plant & Equipmentand Depreciation as restated |
| 17 | Statement of Other Non-current Assets as restated |
| 18 | Statement of Inventories as restated |
| 19 | Statement of Trade Receivables as restated |
| 20 | Statement of Cash &Bank Balances as restated |
| 21 | Statement of other Current Assets as restated |
| 22 | Statement of Revenue from Operation as restated |
| 23 | Statement of Other Income as restated |
| 24 | Statement of Cost of consumption as restated |
| 25 | Statement of Other Manufacturing Expenses as restated |
| 26 | Statement of Employee Benefits Expenses as restated |

| | |
|----|--|
| 27 | Statement of Finance Costs as restated |
| 28 | Statement of Depreciation & Amortisation Expenses as restated |
| 29 | Statement of Other Expenses as restated |
| 30 | Statement of Summary of Accounting Ratios as restated |
| 31 | Statement of Related Parties Transactions as restated. |
| 32 | Statement of Employee Benefit as Restated |
| 33 | Additional Disclosure with respect to Amendments to Schedule III as Restated |
| 34 | Statement of Capitalisation as Restated |

9. We, P P N and Company, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate issued by the “Peer Review Board” of the ICAI.
10. The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the special purpose financial statements and audited financial statements mentioned in paragraph 4 above.
11. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
13. Our report is intended solely for use of the Board of Directors for inclusion in the Draft Red Herring Prospectus /Red Herring Prospectus to be filed with Securities and Exchange Board of India, the stock exchanges and Registrar of Companies, Tamil Nadu in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

**For P P N And Company,
Chartered Accountants,
ICAI Firm Reg. No.: 013623S
Peer Review Certificate No: 013578**

**R. Rajaram
Partner
Membership No: 238452
UDIN: 23238452BGXDZC2960**

**Place: Chennai
Date: October 05, 2023**

INDEPENDENT AUDITOR’S REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

TO THE BOARD OF DIRECTORS OF SUPREME POWER EQUIPMENT LIMITED

Opinion

We have audited the accompanying condensed consolidated financial statements of Supreme Power Equipment Limited (“Holding Company”) and its subsidiaries (Holding Company and its subsidiaries together referred to as “the Group”), which comprise the condensed consolidated interim balance sheet as at 31 July 2023, and the condensed consolidated interim statement of profit and loss (including other comprehensive income) for the quarter and year-to-date period then ended, the condensed consolidated interim statement of changes in equity and the condensed consolidated interim statement of cash flows for the year-to-date period then ended, and notes to the condensed consolidated financial statements, including a summary of significant accounting policies (“the condensed consolidated financial statements”) and other explanatory information as required by “Interim Financial Reporting” and other accounting principles generally accepted in India.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid condensed consolidated financial statements give a true and fair view in conformity with Interim Financial Reporting and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 July 2023, the consolidated profit and other comprehensive income for the quarter and year-to-date period then ended, consolidated changes in equity and its consolidated cash flows for the year-to-date- period ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (“SAs”) specified under section 143(10) of the Companies Act, 2013 (“the Act”). Our responsibilities under those SAs are further described in the Auditor’s Responsibilities for the Audit of the Condensed Consolidated Financial statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the condensed consolidated financial statements.

Responsibilities of Management and Those Charged with Governance for the Condensed Consolidated Financial statements

The Holding Company’s management and the Board of Directors are responsible for the preparation and presentation of these condensed consolidated financial statements that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with Interim Financial Reporting prescribed under section 133 of the Act and other accounting principles generally accepted in India.

Responsibilities of Management and Those Charged with Governance for the Condensed Consolidated Financial statements

The respective Board of Directors of the entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding of the assets of each entity and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the condensed consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the condensed consolidated financial statements by the management and Board of Directors of the Holding Company, as aforesaid.

In preparing the condensed consolidated financial statements, the respective management and the Board of Directors of the entities included in the Group are responsible for assessing the ability of each entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

The respective Board of Directors of the entities included in the Group are responsible for overseeing the financial reporting process of each entity.

Auditor's Responsibilities for the Audit of the Condensed Consolidated Financial statements

Our objectives are to obtain reasonable assurance about whether the condensed consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these condensed consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the condensed consolidated financial statements made by management and the Board of Directors.
- Conclude on the appropriateness of the use of the going concern basis of accounting in preparation of condensed consolidated financial statements by management and Board of Directors and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the condensed consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group (Holding Company and its subsidiaries) to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the condensed consolidated financial statements, including the disclosures, and whether the condensed consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the condensed consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of the entities included in the condensed consolidated financial statements. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the condensed consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit of the condensed consolidated financial statements.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Without modifying our opinion we draw attention to the financial statements which describes the basis of accounting. The financial statements are prepared to assist **Supreme Power Equipment Limited** to meet the requirements of section 26 of Part I of chapter III of the Companies Act 2013 (the Act) and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (ICDR Regulations). As a result the financial statements may not be suitable for another purpose.

**For P P N And Company,
Chartered Accountants,
ICAI Firm Reg. No.: 013623S
Peer Review Certificate No: 013578**

**R. Rajaram
Partner
Membership No: 238452
UDIN: 23238452BGXDYW9719**

**Place: Chennai
Date: October 05, 2023**

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CONSOLIDATED FINANCIAL STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

(Amount in ₹ Lakhs)

| Particulars | | Annx No. | July 31, 2023 | March 31, 2023 |
|-------------|---|-------------|-----------------|-----------------|
| I | Equity and Liabilities | | | |
| 1 | Shareholders' Funds | | | |
| | (a) Share Capital | 6 | 395.80 | 395.80 |
| | (b) Reserves and Surplus | 7 | 1,902.46 | 1,409.89 |
| 2 | MINORITY INTEREST | 8 | 364.44 | 354.91 |
| 3 | NON-CURRENT LIABILITIES | | | |
| | (a) Long-term borrowings | 9 | 426.48 | 455.91 |
| | (b) Deferred Tax Liabilities (Net) | 10 | 18.24 | 17.12 |
| | (c) Long-Term Provisions | 11 | 13.35 | 12.63 |
| 4 | CURRENT LIABILITIES | | | |
| | (a) Short term borrowings | 12 | 1,727.34 | 1,543.83 |
| | (b) Trade Payables | 13 | | |
| | a. Total Outstanding dues of micro, small and medium enterprises | | 446.14 | 444.45 |
| | b. Total outstanding dues of creditors other than micro enterprises and small enterprises | | 2,855.44 | 1,713.16 |
| | (c) Other current liabilities | 14 | 414.37 | 119.78 |
| | (d) Short term provisions | 15 | 623.10 | 433.56 |
| | TOTAL | | 9,187.16 | 6,901.04 |
| B. | ASSETS | | | |
| 1 | Non-current assets | | | |
| | (a) Property, Plant & Equipment and Intangible Assets | 16 | | |
| | (i) Property, Plant & Equipment | | 1,101.85 | 460.88 |
| | (ii) Capital Work in Progress | | 2.56 | 2.56 |
| | (b) Long-Term Loans & Advances | | - | - |
| | (c) Other Non-Current Assets | 17 | 255.28 | 268.35 |
| 2 | Current assets | | | |
| | (a) Inventories | 18 | 2,833.65 | 2,041.42 |
| | (b) Trade Receivables | 19 | 4,564.02 | 3,261.05 |
| | (c) Cash & Bank Balances | 20 | 3.74 | 554.49 |
| | (d) Other Current Assets | 21 | 426.06 | 312.30 |
| | TOTAL | | 9,187.16 | 6,901.04 |

CONSOLIDATED FINANCIAL STATEMENT OF PROFIT AND LOSS AS RESTATED

(Amount in ₹ Lakhs)

| Particulars | | Annx No. | July 31, 2023 | March 31, 2023 |
|-------------|---|-------------|-----------------|-----------------|
| I | Revenue from operations | 22 | 3,926.27 | 9,975.94 |
| | Other income | 23 | 1.34 | 14.91 |
| | Total Income (1+2) | | 3,927.61 | 9,990.85 |
| II | Expenditure | | | |
| (a) | Cost of Consumption | 24 | 2,947.59 | 7,605.31 |
| (b) | Other Manufacturing Expenses | 25 | 54.35 | 134.55 |
| (c) | Employee Benefits Expenses | 26 | 41.26 | 136.17 |
| (d) | Finance Costs | 27 | 82.81 | 267.39 |
| (e) | Depreciation & Amortisation Expenses | 28 | 10.46 | 31.47 |
| (f) | Other Expenses | 29 | 97.32 | 284.26 |
| | Total expenditure | | 3,233.79 | 8,459.15 |
| III | Profit Before Exceptional and Extraordinary Items and Tax (I-II) | | 693.81 | 1,531.70 |
| IV | Exceptional and Extraordinary Items/ Prior Period Items | | 0.00 | 0.00 |
| V | Profit/(Loss) Before Tax (III-IV) | | 693.81 | 1,531.70 |
| VI | Tax expense | | | |
| | Current Tax | | 189.54 | 421.49 |
| | Deferred Tax | | 1.12 | 2.34 |
| VII | Profit (Loss) for the period (V-VI) | | 503.16 | 1107.88 |
| VIII | Less: Share of Minority Interest | | 10.59 | 25.59 |
| IX | Balance carried to reserve and surplus | | 492.57 | 1082.29 |
| X | Earnings per Equity Share of Rs.10 Each * | | | |
| | -Basic | | 2.77 | 6.08 |
| | -Diluted | | 2.77 | 6.08 |

*Note: For calculation of earning per share – shares including bonus shares is considered as denominator

CONSOLIDATED FINANCIAL STATEMENT OF CASH FLOW AS RESTATED

(Amount in ₹ Lakhs)

| | Particulars | For the Period ended July 31, 2023 | For the Period ended March 31, 2023 |
|----------|--|------------------------------------|-------------------------------------|
| A | CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| | Net Profit Before Tax | 693.81 | 1,761.98 |
| | Adjustments for: | | |
| | Depreciation | 10.46 | 31.47 |
| | Share of profit from Firm | - | (230.28) |
| | Provision for Gratuity | - | 1.72 |
| | Loss on Forex | - | 0.37 |
| | Profit on sale of Mutual Funds | - | (3.02) |
| | Interest Expenses | 50.93 | 236.08 |
| | Interest Income | (0.12) | (10.16) |
| | Operating Profit before working capital changes: | 755.08 | 1,788.16 |
| | Adjustments for changes in working capital: | | |
| | (Increase)/Decrease in Trade Receivables | (1,302.98) | (168.01) |
| | Increase/(Decrease)in Inventories | (792.23) | (796.09) |
| | (Increase)/Decrease in Other Current assets | (113.76) | (164.80) |
| | (Increase)/Decrease in Other Non-Current Assets | 13.07 | 7.63 |
| | Increase/(Decrease) in Short Term Borrowings | 124.88 | 296.36 |
| | Increase/(Decrease) in Trade and Other payables | 1,143.97 | (177.09) |
| | Increase/(Decrease)in Other Current Liabilities | 295.31 | 220.76 |
| | Cash generated from operations | 123.33 | 1,006.93 |
| | Income Taxes paid | - | (177.69) |
| | Net cash flow from operating activities (A) | 123.33 | 829.24 |
| B | CASH FLOW FROM INVESTING ACTIVITIES | | |
| | Interest Received | 0.12 | 13.94 |
| | Fixed assets purchased including Intangible Assets | (651.43) | (11.39) |
| | (Increase)/Decrease in Long Term Loans & Advances | - | 13.02 |
| | Net cash generated by/ (used in) investing activities (B) | (651.31) | 15.56 |
| C | CASH FLOW FROM FINANCING ACTIVITIES | | |
| | Interest paid | (50.93) | (233.23) |
| | Increase/(Decrease) in Long-Term Borrowings | 29.22 | (32.47) |
| | Partner's Capital Net Off Additions / (Withdrawal) - Relating to Firm | (1.06) | (67.67) |
| | Net Cash generated by/ (used in) financing Activities (C) | (22.77) | (333.38) |
| | Exchange difference on translation of foreign operations | - | - |
| D | NET INCREASE IN CASH AND CASH EQUIVALENT (A+B+C) | (550.75) | 511.43 |
| | Opening Cash and Cash Equivalents | 554.49 | 43.06 |
| | CLOSING CASH AND CASH EQUIVALENT | 3.74 | 554.49 |
| | RECONCILIATION OF CASH AND CASH EQUIVALENTS WITH THE BALANCE SHEET: | | |
| | Cash & cash equivalent as per Balance sheet | 3.74 | 554.49 |
| | Cash & cash equivalent at the end of the period | 3.74 | 554.49 |

SIGNIFICANT ACCOUNTING POLICY AND NOTES TO THE RESTATED CONSOLIDATED SUMMARY STATEMENTS

(All amount in Indian Rupees in Lakhs, unless otherwise stated)

1. BACKGROUND

Supreme Power Equipment Private Limited (the Holding Company) having CIN: U31200TN2005PTC056666 incorporated on 21st June 2005 under the provisions of the Companies Act 1956, and having its registered office at 55, SIDCO Industrial Estates Thirumazhisai Poonamallee Tiruvallur, Tamil Nadu - 600124. Supreme Power Equipment Private Limited (the Holding Company) having CIN: U31200TN2005PTC056666 incorporated on 21st June 2005 under the provisions of the Companies Act 1956, and having its registered office at 55, SIDCO, Industrial Estates, Thirumazhisai, Poonamallee, Tiruvallur, Tamil Nadu - 600124. Subsequently, Company was converted into Public Limited Company vide special resolution passed by our shareholders at the Extra Ordinary General Meeting held on 31.08.2023 and the name of the Company was changed to Supreme Power Equipment Limited ("the Company" or the "Issuer") pursuant to issuance of Fresh Certificate of Incorporation dated 18.9.2023 Registrar of Companies, Chennai with Corporate Identification Number U31200TN2005PLC056666.

The Company is engaged to carry on the business of manufacturing, assembling, fabrication of transformer of all varieties electrical transmission equipment's and control units, erection, commission and testing of high tension lines, electrical distribution panels, electrical, electronic and mechanical apparatus for any purpose and to deal, sell, supply, in accumulators, lamps, meters, engines, dynamic batteries.

2. SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Preparation:

"The summary statement of restated assets and liabilities of the Company as at 31st March 2023 and 31st March, 2022 and the related summary statement of restated profit and loss and cash flows for the period ended 31st July 2023, 31st March 2023, (collectively referred to as the "Restated summary financial information") have been prepared specifically for the purpose of inclusion in the offer document to be filed by the Company in connection with the proposed Initial Public Offering (hereinafter referred to as 'IPO').

The restated summary financial information has been prepared by applying necessary adjustments to the financial statements ('financial statements') of the Company. The consolidated financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the accounting standards specified under section 133 of the Companies Act, 2013, of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"), as applicable and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) regulations 2009, as amended (the "Regulations"). The consolidated financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous year of the holding Company."

2. Basis of Consolidation:

"The financial statements of the Group are consolidated on a line-by-line basis and intra-group balances and transactions, including unrealized gain / loss from such transactions, are eliminated upon consolidation.

These financial statements are prepared by applying uniform accounting policies in use at the Group.

Minority interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Company, are disclosed separately."

3. Revenue Recognition:

The company derives its revenues primarily from engaging in the business of electrical contractors, estimators, planners, designers, research workers, dealers in electrical, mechanical, automobiles, railway equipment's and machinery in all branches of engineering. Revenue from services provided under fixed price contracts, where the outcome can be estimated reliably, is recognized based on contract activity. Revenue on time-and-material contracts are recognized as the related services are performed and the revenues from the end of the last billing to the balance sheet date are recognized as unbilled revenues.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured in accordance with AS-9, Revenue Recognition. Sales are recognized on accrual basis, and only after transfer of services to the customer.

Revenue from services provided under fixed price contracts, where the outcome can be estimated reliably, is recognized following the proportionate completion method, where revenue is recognized in proportion to the progress of the contract activity. The progress of the contract activity is usually determined as a proportion of efforts incurred up to the balance sheet date, which bears to the total hours / days estimated for the contract.

Revenue on time-and-material contracts are recognized as the related services are performed and the revenues from the end of the last billing to the balance sheet date are recognized as unbilled revenues.

Interest Income: Revenue is recognized on the time proportion basis after taking into account the amount outstanding and the rate applicable.

Dividend Income: Dividend Income is recognised when the owners right to receive payment is established.

Other Income: Other items of income and expenditure are recognized on accrual basis and as a going concern basis, and the accounting policies are consistent with the generally accepted accounting policies.

4. Property Plant and Equipment Including Intangible assets:

"Property Plant and Equipment's are stated at cost, less accumulated depreciation. Cost includes cost of acquisition including material cost, freight, installation cost, duties and taxes, and other incidental expenses, incurred up to the installation stage, related to such acquisition. Property Plant and Equipment's purchased in India in foreign currency are recorded in Rupees, converted at the exchange rate prevailed on the date of purchase Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss."

5. Depreciation & Amortisation:

The Group has applied the estimated useful lives as specified in Schedule II of the Companies Act 2013 and calculated the depreciation as per the Written Down Value (WDV) method. Depreciation on new assets acquired during the year is provided at the rates applicable from the date of acquisition to the end of the financial year. In

respect of the assets sold during the year, depreciation is provided from the beginning of the year till the date of its disposal.

Intangible assets are amortised on a straight-line basis over the estimated useful life as specified in Schedule II of the Companies Act 2013. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss. In respect of the assets sold during the year, amortisation is provided from the beginning of the year till the date of its disposal.

The estimated useful lives of assets are as follows:

Useful life of Property, Plant and Equipment's

| Category | Useful life |
|------------------------|-------------|
| Computer & Accessories | 6 years |
| Furniture & Fittings | 10 years |
| Testing Equipment's | 15-20 years |
| Buildings | 58 years |
| Plant & Machinery | 15 years |
| Electrical Fittings | 15 years |
| Vehicles | 10 years |

6. Impairment of Assets:

The Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognised wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. Reversal of impairment loss is recognised immediately as income in the profit and loss account.

Use of Estimates:

The preparation of the consolidated financial statements in conformity with Generally Accepted Accounting Principles requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and the reported amounts of income and expenses during the year. Examples of such estimates include provisions for doubtful debts, income taxes, post - sales customer support and the useful lives of Property Plant and Equipments and intangible assets.

7. Foreign currency transactions:

Domestic Operation:

I. Initial Recognition:

A foreign currency transaction is recorded, on initial recognition in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

II. Measurement:

Foreign currency monetary items are reported using the closing rate.

Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

III. Treatment of Foreign Exchange:

Exchange differences arising on settlement/restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expenses in the Statement of Profit and Loss.

For the purposes of presenting these consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into Indian Rupees using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates for the dates of the transactions are used. Exchange differences arising, if any, are recognised in foreign currency translation reserve.

Exchange difference arising on an intra-group monetary item, whether short-term or long-term, cannot be eliminated against corresponding amount arising on other intra-group balances because the monetary item represents a commitment to convert one currency into another and exposes the reporting enterprise to a gain or loss through of the reporting enterprise, such an exchange difference continues to be recognised as income or an expense.

8. Employee Benefits:

A. Short - Term Employee Benefits:

Leave Encashment:

The leave encashment liability upon retirement would not arise as the accumulated leave is reimbursed every year and accounted at actual.

B. Post-Employment Benefits:

Defined Benefit Plan:

Gratuity liability is a defined benefit obligation and is unfunded. The Company accounts for liability for future gratuity benefits based on the actuarial valuation using Projected Unit Credit Method carried out as at the end of each financial year.

Defined Contribution Plan:

Provident Fund: Eligible employees receive benefit from provident fund covered under the Provident Fund Act. Both the employee and the Company make monthly contributions. The employer contribution is charged off to Profit & Loss Account as an expense.

9. Taxes on Income:

A. Current Tax:

Provision for current tax is made in accordance with the provisions of the Income Tax Act, 1961.

B. Deferred Tax:

Deferred tax is recognised, subject to the consideration of prudence, as the tax effect of timing difference between the taxable income and accounting income computed for the current accounting year using the tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax assets are recognised and carried forward to the extent that there is a reasonable certainty, except arising from unabsorbed depreciation and carried forward losses, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

10. Provisions and Contingent Liabilities:

A provision is recognised if, as a result of past event, the Company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefit will be required to settle the obligation. Provisions are determined by the best estimate of outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is possible obligation or present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

11. Earnings Per Share:

Basic Earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

12. Operating Lease:

Lease where the Lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating lease. Operating lease payments are recognized as an expense in the Profit and Loss Account on a straight-line basis.

13. Cash and Cash Equivalents:

Cash and cash equivalents comprise cash and cash deposits with banks. The Company considers all highly liquid investments with a original maturity at a date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

14 Cash Flow Statement:

Cash flows are reported using indirect method, whereby net profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows.

15 Investments:

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

ANNEXURES TO RESTATED CONSOLIDATED FINANCIAL STATEMENT

ANNEXURE - 5

ADJUSTMENTS MADE IN RESTATED CONSOLIDATED FINANCIAL STATEMENTS / REGROUPING NOTES

Adjustments having no impact on Profit Material Regrouping

Appropriate adjustments have been made in the restated summary statements, 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, prepared in accordance with Schedule III and the requirements of the Securities Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018 (as amended).

Reconciliation of Profit:

(Amount in ₹Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 |
|---|---------------------|----------------------|
| Net profit After Tax as Per Audited Accounts But Before Adjustments for Restated Accounts: | 503.16 | 1,107.88 |
| Provision for Gratuity Recognized | - | - |
| Difference in Amount of Depreciation | - | - |
| Provision for Tax | - | - |
| Provision for Deferred Tax | - | - |
| Net adjustment in Profit and loss Account | - | - |
| Adjusted Profit after Tax | 503.16 | 1,107.88 |
| Net Profit after Tax as per Restated Accounts | 503.16 | 1,107.88 |

Reconciliation of Equity:

(Amount in ₹Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 |
|---|---------------------|----------------------|
| Equity as per Audited Financial Statements | 2,298.26 | 1,805.69 |
| Provision for Gratuity Recognized | - | - |
| Difference in Amount of Depreciation | - | - |
| Provision for Tax | - | - |
| Provision for Deferred Tax | - | - |
| Net adjustment in Equity | - | - |
| Adjusted Equity | - | - |
| Equity as Restated | 2,298.26 | 1,805.69 |

STATEMENT OF SHARE CAPITAL AS RESTATED

(Amount in ₹Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 |
|--|---------------------|----------------------|
| Authorised Share Capital | | |
| 2,50,00,000 Equity Shares of Rs 10/- each*# | 2,500.00 | 500.00 |
| Issued, Subscribed & Paid Up | | |
| 39,58,030 Equity Shares of Rs 10/- each fully paid | 395.80 | 395.80 |
| Total | 395.80 | 395.80 |

* The face value of equity share was Rs.100/- per share and the same was sub-divided into Rs.10/- per share vide members special resolution at EGM held on 13-07-2023.

Authorised capital was increased from 50,00,000 equity shares to 2,50,00,000 equity shares vide members special resolution at EGM held on 13-07-2023.

(In Nos.)

| Particulars | As at July 31, 2023 | As at March 31, 2023 |
|---|---------------------|----------------------|
| Equity Shares# | | |
| At the Beginning of the Year | 39,58,03 | 39,58,03 |
| Subdivision of Shares | 35,62,227 | 35,62,227 |
| Issued During the Year | - | - |
| Shares Bought Back during the Year | - | - |
| Total Outstanding at the End of the Year | 39,58,030 | 39,58,030 |

*Note: The face value of equity shares was Rs. 100 per share and it was sub divided into Rs. 10 per share vide members special resolution at EGM held on 13-07-2023. However, for the purpose of restated financials statements, we have given the effect equally across all the financial years in the restated financial statement in order to maintain uniformity.

#Terms/ Rights Attached to Equity Shares

The Company has one class of equity shares having a par value of Rs. 10/-each. Each shareholder is eligible for one vote per share held. The dividend proposed (if any) by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. The company has allotted Bonus Shares on 04/09/2023 in the ratio of 35 shares for every 10-share held vide its members resolution passed in EGM 31.08.2023.

Details of Shareholding of Promoter:

| Name of Shareholder | As at July 31 st 2023 | | As at March 31, 2023 | |
|--|----------------------------------|--------------|----------------------|--------------|
| | No. of shares Held | % Holding | No. of shares Held | % Holding |
| Equity shares of Rs. 10 each fully paid-up | | | | |
| Vee Rajmohan | 17,19,540 | 43.44% | 17,19,540 | 43.44% |
| K V Pradeep Kumar | 6,17,090 | 15.59% | 6,17,090 | 15.59% |
| % Change during the year/ Period * | | 0.00% | | 4.09% |

* The % change mentioned here denotes the absolute change of share percentage during the period.

Details of Shareholders Holding more than 5% of Shares:

| Name of Shareholder | As at July 31 st 2023 | | As at March 31, 2023 | |
|---------------------|----------------------------------|-----------|----------------------|-----------|
| | No. of shares Held | % Holding | No. of shares Held | % Holding |

| Equity shares of Rs. 10 each fully paid-up | | | | |
|---|------------------|---------------|------------------|---------------|
| Vee Rajmohan | 17,19,540 | 43.44% | 17,19,540 | 43.44% |
| Savita pradeep | 5,85,010 | 14.78% | 5,85,010 | 14.78% |
| K.V Pradeep | 6,17,090 | 15.59% | 6,17,090 | 15.59% |
| Sasikala | 2,19,730 | 5.55% | 2,19,730 | 5.55% |
| Rajasthan Global Securities Private Limited | 5,26,830 | 13.31% | 5,26,830 | 13.31% |
| Total | 36,68,200 | 92.68% | 36,68,200 | 92.68% |

ANNEXURE - 7

STATEMENT OF RESERVES AND SURPLUS AS RESTATED

(Amount in ₹Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 |
|---------------------------------------|---------------------|----------------------|
| (a) General Reserve | | |
| Opening Balance | 1,400.00 | - |
| Add: Additions During the Year | 400.00 | 1,400.00 |
| Less: Deduction During the Year | - | - |
| Closing Balance | 1,800.00 | 1,400.00 |
| (b) Surplus | | |
| Opening Balance | 9.89 | 327.60 |
| Add: Additions During the Year | 492.57 | 1,082.29 |
| Less: Transferred to General Reserves | (400.00) | (1,400.00) |
| Closing Balance | 102.46 | 9.89 |
| Total | 1,902.46 | 1,409.89 |

ANNEXURE - 8

STATEMENT OF MINORITY INTEREST AS RESTATED

(Amount in ₹Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 |
|---|---------------------|----------------------|
| (a) Minority Interest | | |
| Other Partner's Share Capital in Firm | 350.83 | 329.33 |
| Add: Share of Profit attributable to Other Partners | 13.61 | 25.59 |
| Less: Transfer | - | - |
| Total | 364.44 | 354.91 |

ANNEXURE - 9

STATEMENT OF LONG - TERM BORROWINGS AS RESTATED

(Amount in ₹ Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 |
|------------------------|---------------------|----------------------|
| Secured | | |
| a) Term Loans: | | |
| i. From Banks (Note 1) | 375.68 | 445.91 |
| b) Unsecured Loans: | | |
| i. Others | 50.80 | 10.00 |
| Total | 426.48 | 455.91 |

NATURE OF SECURITY AND TERMS OF REPAYMENT FOR LONG TERM BORROWINGS

Note 1

| Particulars | Terms of Repayment | Rate of Interest (p.a.) | "No of O/S Instalments (in months)" | "Instalment Amount | Closing Balance as at 31-07-23 |
|-------------|--------------------|-------------------------|-------------------------------------|--------------------|--------------------------------|
|-------------|--------------------|-------------------------|-------------------------------------|--------------------|--------------------------------|

| | (in months) | | | (Rs. In Lakhs)" | (Amount in Lakhs) |
|---|-------------|-------|----|-----------------|-------------------|
| Canara Bank Limited | 48 | 9.25% | 11 | 7.89 | 90.73 |
| Canara Bank Limited | 60 | 9.25% | 43 | 1.21 | 190.00 |
| Indusind Bank Limited | 60 | 8.75% | 43 | 0.26 | 34.68 |
| Indusind Bank Limited | 48 | 9.25% | 13 | 2.14 | 25.05 |
| HDFC Bank Limited | 60 | 8.60% | 60 | 1.60 | 77.80 |
| Canara Bank Limited (Danya) | 60 | 7.90% | 46 | 0.94 | 117.00 |
| Canara Bank Limited (Danya) | 48 | 9.25% | 11 | 4.60 | 48.15 |
| Subtotal | | | | | 583.41 |
| Less: Current Maturities classified under Short Term Borrowings | | | | | 207.73 |
| Long Term Borrowings | | | | | 375.68 |

Notes:

- The figures disclosed above are based on the Statements of Assets and Liabilities as Restated of the Company
- The rate of interest given above are as agreed with the lenders in the respective facility letters.
- The above includes long-term borrowings disclosed under Annexure and the current maturities of long-term borrowings included in other current liabilities

ANNEXURE - 10

STATEMENT OF DEFERRED TAX LIABILITY (NET) AS RESTATED

(Amount in ₹ Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 |
|----------------------------|---------------------|----------------------|
| On Account of Depreciation | 21.66 | 20.36 |
| On Account of Gratuity | (3.42) | (3.24) |
| Total | 18.24 | 17.12 |

ANNEXURE - 11

STATEMENT OF LONG-TERM PROVISIONS AS RESTATED

(Amount in ₹ Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 |
|-------------------------------------|---------------------|----------------------|
| (a) Provision for Employee Benefits | 13.35 | 12.63 |
| Total | 13.35 | 12.63 |

ANNEXURE - 12

STATEMENT OF SHORT - TERM BORROWINGS AS RESTATED

(Amount in ₹ Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 |
|---|---------------------|----------------------|
| Secured | | |
| a) Current Maturities of Long-term borrowings | 207.73 | 112.39 |
| b) Bank Overdraft | 344.29 | 199.48 |
| c) Borrowings From Bank | 1,175.32 | 1,231.96 |
| Total | 1,727.34 | 1,543.83 |

NATURE OF SECURITY AND TERMS OF REPAYMENT FOR SHORT TERM BORROWINGS

Note 1

| Nature of Security | Name of Bank / Financial Institutions | Rate of Interest | As at July 31, 2023 | As at March 31, 2023 | Nature of Security |
|--------------------|---------------------------------------|------------------|---------------------|----------------------|--------------------|
| Bank Overdraft | Indusind Bank Limited | 10.61% | 344.29 | 199.48 | Debtors and Stock |

| | | | | | |
|-------------------|-------------|--------|----------|----------|---------|
| Bills Discounting | Canara Bank | 11.35% | 1,175.32 | 1,231.96 | Debtors |
|-------------------|-------------|--------|----------|----------|---------|

ANNEXURE - 13

STATEMENT OF TRADE PAYABLES AS RESTATED

(Amount in ₹ Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 |
|--|---------------------|----------------------|
| (A) Total Outstanding Dues of Micro, Small and Medium Enterprises | 446.14 | 444.45 |
| (B) Total Outstanding Dues of Creditors Other than Micro, Small and Medium Enterprises | 2,855.44 | 1,713.16 |
| Total | 3,301.58 | 2,157.62 |

Trade Payables Ageing Schedule for the Year Ended July 31, 2023

(Amount in ₹ Lakhs)

| Particulars | Outstanding for following periods from due date of payment | | | | |
|--|--|----------|----------|--------|----------|
| | <1Year | 1-2 Year | 2-3 Year | >3Year | Total |
| (A) Total Outstanding Dues of Micro, Small and Medium Enterprises | 446.14 | | - | - | 446.14 |
| (B) Total Outstanding Dues of Creditors Other than Micro, Small and Medium Enterprises | 2,855.44 | | - | - | 2,855.44 |

Trade Payables Ageing Schedule for the Year Ended March 31, 2023

(Amount in ₹ Lakhs)

| Particular | Outstanding for following periods from due date of payment | | | | |
|--|--|----------|----------|--------|----------|
| | <1Year | 1-2 Year | 2-3 Year | >3Year | Total |
| (A) Total Outstanding Dues of Micro, Small and Medium Enterprises | 444.45 | | - | - | 444.45 |
| (B) Total Outstanding Dues of Creditors Other than Micro, Small and Medium Enterprises | 1,713.16 | | - | - | 1,713.16 |

ANNEXURE - 14

STATEMENT OF SHORT - TERM BORROWINGS AS RESTATED

(Amount in ₹ Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 |
|------------------------------------|---------------------|----------------------|
| a) ESI Payable | 0.05 | 0.04 |
| b) TDS Payable | 2.24 | 1.96 |
| c) PF Payable | 0.34 | 0.35 |
| e) GST Payable | - | 22.22 |
| f) Directors' Remuneration Payable | 1.83 | 1.16 |
| g) Advance Received from Client | 398.34 | 75.85 |
| h) Other Payables | 11.57 | 18.21 |
| Total | 414.37 | 119.78 |

STATEMENT OF SHORT - TERM PROVISIONS AS RESTATED

(Amount in ₹ Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 |
|------------------------------------|---------------------|----------------------|
| a) Provision for Taxation | 611.03 | 421.49 |
| b) Provision for Employee Benefits | 12.07 | 12.07 |
| Total | 632.10 | 433.56 |

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STATEMENT OF PROPERTY, PLANT & EQUIPMENT AND DEPRECIATION AS RESTATED

(Amount in ₹ Lakhs)

| Particulars | Gross Block | | | | Accumulated Depreciation | | | | Net Block | |
|---------------------------------|----------------|------------------------|-----------------------|-----------------|--------------------------|------------------------|-----------------------|---------------|-----------------|----------------|
| | April 01, 2023 | Additions For the Year | Deletion For the Year | July 31, 2023 | April 01, 2023 | Additions For the Year | Deletion For the Year | July 31, 2023 | July 31, 2023 | March 31, 2023 |
| Freehold Land | 69.78 | 518.81 | - | 588.60 | - | - | - | - | 588.60 | 69.78 |
| Building | 228.78 | 0.11 | - | 228.89 | 34.12 | 1.52 | - | 35.64 | 193.25 | 194.66 |
| Furniture & Fixtures | 0.87 | - | - | 0.87 | 0.44 | 0.03 | - | 0.46 | 0.40 | 0.43 |
| Plant And Equipments | 197.34 | 16.00 | - | 213.34 | 110.13 | 2.97 | - | 113.10 | 100.24 | 87.21 |
| Computers | 15.63 | 0.76 | - | 16.39 | 10.54 | 0.25 | - | 10.79 | 5.60 | 5.09 |
| Testing Equipments | 194.03 | 22.00 | - | 216.03 | 98.88 | 4.44 | - | 103.32 | 112.71 | 95.15 |
| Electrical Fittings | 11.78 | - | - | 11.78 | 7.90 | 0.30 | - | 8.19 | 3.58 | 3.88 |
| Van | 12.21 | 93.75 | - | 105.96 | 7.54 | 0.96 | - | 8.51 | 97.46 | 4.67 |
| Capital Work-in-Progress | | | | | | | | | | |
| Building | 2.56 | - | - | 2.56 | - | - | - | - | 2.56 | 2.56 |
| TOTAL | 732.98 | 651.43 | - | 1,384.42 | 269.55 | 10.46 | - | 280.01 | 1,104.41 | 463.44 |

(Amount in ₹ Lakhs)

| Particulars | Gross Block | | | | Accumulated Depreciation | | | Net Block | |
|---------------------------------|----------------|------------------------|-----------------------|----------------|--------------------------|------------------------|-----------------------|----------------|---------------|
| | April 01, 2022 | Additions For the Year | Deletion For the Year | March 31, 2023 | April 01, 2022 | Additions For the Year | Deletion For the Year | March 31, 2023 | July 31, 2023 |
| Freehold Land | 69.78 | - | - | 69.78 | - | - | - | - | 69.78 |
| Building | 228.78 | - | - | 228.78 | 29.57 | 4.55 | - | 34.12 | 194.66 |
| Furniture & Fixtures | 0.87 | - | - | 0.87 | 0.36 | 0.08 | - | 0.44 | 0.43 |
| Plant And Equipments | 197.34 | 6.22 | - | 197.34 | 97.90 | 12.23 | - | 110.13 | 87.21 |
| Computers | 13.29 | 2.34 | - | 15.63 | 9.74 | 0.80 | - | 10.54 | 5.09 |
| Testing Equipments | 194.03 | - | - | 194.03 | 86.97 | 11.91 | - | 98.88 | 95.15 |
| Electrical Fittings | 11.50 | 0.27 | - | 11.78 | 6.97 | 0.93 | - | 7.90 | 3.88 |
| Van | 12.21 | - | - | 12.21 | 6.56 | 0.98 | - | 7.54 | 4.67 |
| Capital Work-in-Progress | | | | | | | | | |
| Building | - | 2.56 | - | 2.56 | - | - | - | - | 2.56 |
| TOTAL | 721.59 | 11.39 | - | 732.98 | 238.07 | 31.47 | - | 269.55 | 463.44 |

STATEMENT OF NON - CURRENT ASSETS AS RESTATED

(Amount in ₹Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 |
|--|---------------------|----------------------|
| a) Security Deposit | 3.46 | 10.10 |
| b) Bank Deposits with More than 12 Months Maturity | 251.82 | 258.25 |
| Total | 255.28 | 268.35 |

ANNEXURE - 18

STATEMENT OF INVENTORIES AS RESTATED

(Amount in ₹ Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 |
|--------------|---------------------|----------------------|
| Inventories | 2,833.65 | 2,041.42 |
| Total | 2,833.65 | 2,041.42 |

ANNEXURE - 19

STATEMENT OF TRADE RECEIVABLES AS RESTATED

(Amount in ₹Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 |
|--|---------------------|----------------------|
| Trade Receivable Considered Good – Secured | 4,564.02 | 3,261.05 |
| Total | 4,564.02 | 3,261.05 |

*Trade Receivables Ageing Schedule for the Year Ended July 31, 2023

(Amount in ₹Lakhs)

| Particulars | Outstanding for following periods from due date of payment | | | | | |
|--|--|----------------|----------|----------|--------|----------|
| | <6 Months | 6 Months-1year | 1-2 Year | 2-3 Year | >3Year | Total |
| (i) Undisputed Trade Receivables - Considered Good | 3,966.47 | 171.41 | 426.14 | - | - | 4,564.02 |

Trade Receivables Ageing Schedule for the Year Ended March 31, 2023

(Amount in ₹Lakhs)

| Particulars | Outstanding for following periods from due date of payment | | | | | |
|--|--|----------------|----------|----------|--------|----------|
| | <6 Months | 6 Months-1year | 1-2 Year | 2-3 Year | >3Year | Total |
| (i) Undisputed Trade Receivables - Considered Good | 2,886.49 | 101.73 | 272.83 | - | - | 3,261.05 |

ANNEXURE - 20

STATEMENT OF CASH & CASH BALANCES AS RESTATED

(Amount in ₹Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 |
|---------------------------|---------------------|----------------------|
| a) Cash & Cash Equivalent | | |
| i) Balance with Banks | 3.52 | 553.96 |
| ii) Cash in Hand | 0.22 | 0.53 |
| Total | 3.74 | 554.49 |

STATEMENT OF OTHER CURRENT ASSETS AS RESTATED

(Amount in ₹ Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 |
|-----------------------------------|---------------------|----------------------|
| Deposit with Banks | 50.86 | 67.20 |
| Bill Discounting Upfront Interest | 36.41 | 30.48 |
| Prepaid expenses | 20.36 | 1.67 |
| TDS Receivable | 19.96 | 18.52 |
| TCS Receivable | 1.01 | 0.80 |
| GST Input Tax Credit | 65.16 | 5.21 |
| Advance Income Tax Paid | 117.75 | 47.75 |
| Other Receivables | 114.54 | 140.66 |
| Total | 426.06 | 312.30 |

ANNEXURE - 22

STATEMENT OF REVENUE FROM OPERATIONS AS RESTATED

(Amount in ₹ Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 |
|--------------------------|---------------------|----------------------|
| Sale of Goods & Services | | |
| Local | 3,921.98 | 9,959.74 |
| Export | 4.28 | 16.20 |
| Others | - | - |
| Total | 3,926.27 | 9,975.94 |

ANNEXURE - 23

STATEMENT OF OTHER INCOME AS RESTATED

(Amount in ₹ Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 |
|----------------------------|---------------------|----------------------|
| Interest Income | 0.12 | 9.16 |
| Other Non-operating Income | 1.22 | 5.75 |
| Total | 1.34 | 14.91 |

ANNEXURE - 24

STATEMENT OF COST OF CONSUMPTION AS RESTATED

(Amount in ₹ Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 |
|---------------|---------------------|----------------------|
| Opening Stock | 2,041.40 | 1,245.33 |
| Purchases | 3,739.78 | 8,401.38 |
| Closing Stock | (2,833.59) | (2,041.40) |
| Total | 2,947.59 | 7,605.31 |

ANNEXURE - 25

STATEMENT OF OTHER MANUFACTURING EXPENSES AS RESTATED

(Amount in ₹ Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 |
|-------------------------------|---------------------|----------------------|
| Electricity Charges | 11.84 | 25.50 |
| Labour Charges | 22.08 | 20.91 |
| Testing & Calibration Charges | 9.18 | 48.67 |
| Crane Hire Charges | 0.27 | 1.63 |
| Repairs & Maintenance | 0.46 | 7.28 |
| Security Charges | 2.82 | 8.34 |

| | | |
|------------------|--------------|---------------|
| Freight - Inward | 7.40 | 13.08 |
| Consumables | 0.31 | 9.15 |
| Total | 54.35 | 134.55 |

ANNEXURE - 26

STATEMENT OF EMPLOYEE BENEFITS EXPENSES AS RESTATED

(Amount in ₹ Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 |
|--|---------------------|----------------------|
| Salaries & Wages (Refer Note Below) | 37.24 | 120.26 |
| Employer's Contribution to Welfare Funds | 0.85 | 2.27 |
| Employees Gratuity | 0.72 | 5.77 |
| Staff Welfare | 2.45 | 7.86 |
| Total | 41.26 | 136.17 |

SALARIES AND WAGES

(Amount in ₹ Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 |
|--|---------------------|----------------------|
| a. Salary | 32.49 | 104.96 |
| b. Director's & Partner's Remuneration | 4.75 | 15.30 |
| Total | 37.24 | 120.26 |

ANNEXURE - 27

STATEMENT OF FINANCE COSTS AS RESTATED

(Amount in ₹ Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 |
|-------------------|---------------------|----------------------|
| Interest Expenses | 50.93 | 235.96 |
| Bank Charges | 31.88 | 31.43 |
| Total | 82.81 | 267.39 |

ANNEXURE - 28

STATEMENT OF DEPRECIATION & AMORTISATION EXPENSES AS RESTATED

(Amount in ₹ Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 |
|------------------------|---------------------|----------------------|
| Depreciation on Assets | 10.46 | 31.47 |
| Total | 10.46 | 31.47 |

ANNEXURE - 29

STATEMENT OF OTHER EXPENSES AS RESTATED

(Amount in ₹ Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 |
|------------------------------------|---------------------|----------------------|
| Audit Fees | 2.80 | 8.50 |
| Business Promotion Expenses | 10.06 | 8.91 |
| Insurance Expenses | 9.61 | 10.19 |
| ISO/BIS License Fee | 0.23 | 5.53 |
| Forex Loss on Exports | 0.02 | 0.37 |
| Other Expenses | 28.79 | 44.05 |
| Office Expenses | 1.01 | 1.69 |
| Postal & Telegram | 0.19 | 0.53 |
| Printing & Stationery | 0.72 | 2.72 |
| Professional & Consultancy Charges | 12.32 | 28.78 |
| partner's remuneration | 3.92 | 12.15 |
| Rates & Taxes | 5.22 | 55.53 |
| Rent | 0.48 | 1.61 |

| | | |
|-------------------------------|--------------|---------------|
| Telephone & Internet Expenses | 0.09 | 0.58 |
| Transport Charges | 16.94 | 80.26 |
| Travelling & Conveyance | 3.60 | 12.06 |
| Factory maintenance | 0.44 | 6.17 |
| Vehicle Maintenance | 0.89 | 4.62 |
| Total | 97.32 | 284.26 |

ANNEXURE - 30

STATEMENT OF SUMMARY OF ACCOUNTING RATIOS AS RESTATED

(Amount in ₹ Lakhs)

| Ratios | For the period ended July 31, 2023 | For the year ended March 31, 2023 |
|---|------------------------------------|-----------------------------------|
| Restated PAT as per P& L Account after Tax and after reducing minority interest | 492.57 | 1,082.29 |
| Weighted Average Number of Equity Shares at the end of the Year / Period (Pre - Bonus Issue) | 39,58,030 | 39,58,030 |
| Weighted Average Number of Equity Shares at the end of the Year / Period (Post - Bonus Issue) | 1,78,11,135 | 1,78,11,135 |
| Net Worth | 2,298.26 | 1,805.69 |
| Current Assets | 7,827.47 | 6,169.26 |
| Current Liabilities | 6,066.39 | 4,254.78 |
| Earnings Per Share (Pre - Bonus Issue) | | |
| Basic & Diluted (Rs.) | 12.44 | 27.34 |
| Earnings Per Share (Post - Bonus Issue) | | |
| Basic & Diluted (Rs.) | 2.77 | 6.08 |
| Return on Net Worth (%) | 21.43% | 59.94% |
| Current Ratio | 1.29 | 1.45 |

Note: Ratios have been calculated as below

$$\text{Basic and Diluted Earnings Per Share (EPS) (Rs.)} = \frac{\text{Restated Profit after Tax available to equity Shareholders}}{\text{Weighted Average Number of Equity Shares at the end of the year / period}}$$

$$\text{Return on Net Worth (\%)} = \frac{\text{Restated Profit after Tax available to equity Shareholders}}{\text{Restated Net Worth of Equity Shareholders}}$$

$$\text{Net Asset Value per equity share (Rs.)} = \frac{\text{Restated Net Worth of Equity Shareholders}}{\text{Number of Equity Shares outstanding at the end of the year / period}}$$

ANNEXURE-31

STATEMENT OF RELATED PARTIES TRANSACTIONS AS RESTATED

Transaction with Related Parties During the Year

| S. No | Name of the Party | Nature of RP | Relationship |
|-------|------------------------|------------------|---|
| 1 | Danya Electric Company | Partnership Firm | Partnership firm where significant control exist |
| 2 | Jai Bharat Exchangers | Partnership Firm | Firm in which directors of the company are partners |

| | | | |
|---|---------------------|-----------------------|-------------------|
| 3 | Vee Rajmohan | Key managerial Person | Managing Director |
| 4 | Mrs. Savita pradeep | Key managerial Person | Director |
| 5 | K V Pradeep Kumar | Key managerial Person | Director |

Transaction with Related Parties During the Year

| Particulars | Period ended 31 July, 2023 | Year ended 31 March, 2023 |
|--------------------------------|----------------------------|---------------------------|
| Purchases | | |
| Jai Bharat Exchangers | 131.20 | 384.58 |
| | | |
| Outstanding as on 31st | | |
| Payable to | | |
| Jai Bharat Exchangers | 83.25 | 91.56 |
| | | |
| Key managerial Personal | | |
| Remuneration Paid to* | | |
| K.V. Pradeep Kumar | 3.92 | 12.15 |
| Vee Rajmohan | 3.40 | 10.20 |
| Mrs. Savita Pradeep | 1.80 | 5.10 |

STATEMENT OF EMPLOYEE BENEFIT AS RESTATED

ANNEXURE - 32

Provident Fund - The Company has contributed Rs. 1,40,026 for the period ended July 31, 2023 and Rs. 24,95,020 for the period ended March 31, 2023 towards the Employees Provident Fund.

Employees' State Insurance - The Company has contributed Rs.16,181 for the period ended July 31, 2023 and Rs. 10,62,437 for the year ended March 31, 2023 towards the Employees State Insurance Corporation.

Gratuity - The Present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method. This method considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

Interest Cost: It is the increase in the Plan liability over the accounting period resulting from the operation of the actuarial assumption of the interest rate.

Current Service Cost: is the discounted present value of the benefits from the Plan's benefit formula attributable to the services rendered by employees during the accounting period.

Actuarial Gain or Loss: occurs when the experience of the Plan differs from that anticipated from the actuarial assumptions. It could also occur due to changes made in the actuarial assumptions.

(i) Reconciliation of Opening and Closing Balance of Gratuity Obligations:

(Amount in ₹ Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 |
|---|---------------------|----------------------|
| Net Liability as at the Beginning of the Period | 12.63 | 10.91 |
| Net Expenses in P/L A/c | 0.87 | 2.32 |
| Benefits Paid | (0.15) | (0.60) |
| Net Liability as at the End of the Period | 13.35 | 12.63 |
| Present Value of Gratuity Obligation (Closing) | 13.35 | 12.63 |

(ii) Expenses Recognised in Statement of Profit and Loss During the Year:*(Amount in ₹ Lakhs)*

| Particulars | As at July 31, 2023 | As at March 31, 2023 |
|--------------------------------------|---------------------|----------------------|
| Interest Cost | 0.32 | 1.28 |
| Current Service Cost | 0.56 | 1.04 |
| Past Service Cost | - | - |
| Expected Return on Plan Assets | - | - |
| Curtailement Cost (Credit) | - | - |
| Settlement Cost (Credit) | - | - |
| Net Actuarial (gain) / loss | (0.15) | (0.60) |
| Net Expenses to be Recognized in P&L | 0.72 | 1.72 |
| Total | 0.72 | 1.72 |

Changes in Benefit Obligations:*(Amount in ₹ Lakhs)*

| Particulars | As at July 31, 2023 | As at March 31, 2023 |
|---|---------------------|----------------------|
| Opening Defined Benefit Obligation | 12.63 | 10.91 |
| Current Service Cost | 0.56 | 1.04 |
| Interest Cost for the Year | 0.32 | 1.28 |
| Actuarial losses (gains) | - | - |
| Benefits Paid | (0.15) | (0.60) |
| Closing Defined benefit Obligation | 13.35 | 12.63 |
| Total | 13.35 | 12.63 |

Actuarial Assumptions:*(Amount in ₹ Lakhs)*

| Particulars | As at July 31, 2023 | As at March 31, 2023 |
|---|---|---|
| Rate of Discounting | 7.55% | 7.55% |
| Salary Escalation | 5.00% | 5.00% |
| Attrition Rate | 10.00% | 10.00% |
| Mortality Rate During Employment Indian | Indian Assured Lives Mortality (2012-14) Ultimate | Indian Assured Lives Mortality (2012-14) Ultimate |

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

ANNEXURE -33**ADDITIONAL DISCLOSURES WITH RESPECT TO AMENDMENTS TO SCHEDULE III AS RESTATED**

- (i) The Company have no immovable property whose title deeds are not held in the name of the Company.
- (ii) The Company has not revalued its Property, Plant and Equipment during the reporting years.
- (iii) Loans and Advances granted to Promoters, Directors, KMP and Related Parties:

There are no Loans and Advances in the nature of loans that are granted to promoters, directors, KMP's and the related parties either severally or jointly with any other person, that are repayable on demand.

- (iv) There are no proceedings initiated or pending against the Parent for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).
- (v) The Company has made borrowing from the banks or financial institutions on the basis of security of current assets, and the statements of current assets as required to be filed by the Company with any the banks or financial institutions are done periodically.
- (vi) The Company is not declared as a willful defaulter by any bank or financial institution or other lender.

- (vii) The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013.
- (viii) The Company do not have any charge to be registered with the Registrar of Companies beyond the statutory period.
- (ix) The Company has no subsidiaries with one layer prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- (x) No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- (xi) Utilization of Borrowed funds and share premium:

A. The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall.

- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

B. The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall.

- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(xii) **Ratios**

(Amount in ₹ Lakhs)

| S.no. | RATIOS | Current year Numerator (Rs) | Current year Denominator (Rs) | As at July 31, 2023 | As at March 31, 2023 |
|-------|--|--------------------------------|----------------------------------|------------------------|-------------------------|
| a. | Current Ratio Current Assets / Current liabilities" | 7,827.47 | 6,169.26 | 1.27 | 1.45 |
| b. | "Debt-Equity Ratio Debt-Equity Ratio Total Outside Liabilities / Total Shareholder's Equity" | 2,153.83 | 2,298.26 | 0.94 | 1.11 |
| c. | "Debt Service Coverage Ratio Debt Service Coverage Ratio EBITDA / (Interest + Principal)" | 564.55 | 683.94 | 0.83 | 4.04 |
| d. | Return on Equity Ratio (Net Profit After Taxes - Preference Dividend if any) /Average Shareholders fund" | 503.16 | 2,298.26 | 0.22 | 0.62 |
| e. | Trade Receivables Turnover Ratio Credit Sales / Average Trade Receivables" | 3,926.27 | 3,912.54 | 1.00 | 3.06 |
| f. | "Net Capital Turnover Ratio Net Capital Turnover Ratio Cost of Goods Sold (or) Sales / Net Assets | 3,926.27 | 2,298.26 | 1.71 | 5.52 |
| g. | Net Profit Ratio Net Profit / Total Sales" | 503.16 | 3,926.27 | 13% | 11.15% |
| h. | Return on Capital Employed (EBIT / Capital Employed) * 100" | 744.74 | 2,298.26 | 32% | 98.43% |

STATEMENT OF CAPITALISATION STATEMENT AS RESTATED

(Amount in ₹ Lakhs)

| Particulars | Pre-issue | Post-issue |
|--|-----------------|------------|
| Borrowings | | |
| Short Term Debt (A) | 1,727.35 | |
| Long Term Debt (B) | 426.48 | |
| Total Debts (C = A + B) | 2,153.83 | |
| | | |
| Shareholders' Funds | | [•] |
| Equity Share Capital (D) | 395.80 | |
| Reserve and Surplus - as restated (E) | 1,902.46 | |
| Total Shareholders' Funds (F = D + E) | 2,298.26 | |
| | | |
| Long Term Debt / Shareholders' Funds (G = B/F) (in Times) | 0.19 | |
| Total Debt / Shareholders' Funds (H = C/F) (in Times) | 0.94 | |

Notes:

1. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31.07.2023.
2. Long term debts represent debts other than short term debts as defined above.
3. Short term Debts represents the debts which are expected to be paid / payable within 12 months and also includes instalment of term loans repayable within 12 months.

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**Independent Auditor’s Examination Report on Restated Financial Information of
Supreme Power Equipment Limited
(Formerly known as Supreme Power Equipment Private Limited)**

To,
The Board of Directors
Supreme Power Equipment Limited,
(Formerly Known as Supreme Power Equipment Private limited)
55, SIDCO Industrial Estate, Thirumazhisai
Poonamallee, Tiruvallur,
Tamil Nadu- 600124.

Dear Sirs,

1. We have examined the attached Restated Financial Information of **Supreme Power Equipment Limited(Formerly Known as Supreme Power Equipment Private Limited)**. comprising the Restated Statement of Assets and Liabilities as at July 31 2023, as at March 31 2023, 2022 and 2021, the Restated Statements of Profit and Loss and the Restated Cash Flow Statement for the period from 01-04-2023 to 31-07-2023 and for the years ended March 31 2023, 2022 and 2021, the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively referred to as, the “**Restated Financial Information**”), as approved by the Board of Directors of the Company at their meeting held on August 18, 2023 for the purpose of inclusion in the Draft Red Herring Prospectus / Red Herring Prospectus prepared by the Company in connection with its proposed Initial Public Offer of equity shares (“IPO”) on *Emerge Platform of National Stock Exchange of India Limited (“NSE EMERGE”)*.

These restated Summary Statement have been prepared in terms of the requirements of:

- a. Section 26 of Part I of Chapter III of the Companies Act, 2013 (the “**Act**”)
 - b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**ICDR Regulations**”); and
1. 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 Draft Red Herring Prospectus / Red Herring Prospectus to be filed with Securities and Exchange Board of India, Registrar of Companies, Chennai and the Stock Exchange in connection with the proposed IPO. The Restated Financial Information has been prepared by the management of the Company on the basis of preparation stated in **Annexure 4** to the Restated Financial Information. The responsibilities of the Board of Directors of the Company include designing, implementing, and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors is also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.
3. We have examined such Restated Financial Information taking into consideration:
 - a. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated June 14, 2023 in connection with the proposed IPO of equity shares of **Supreme Power Equipment Limited(Formerly Known as Supreme Power Equipment private Limited)** (the “**Issuer Company**”) on SME platform of National Stock Exchange of India Limited (“**NSE EMERGE**”);

- b. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI);
 - c. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and
 - d. The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.
4. These Restated Financial Information have been compiled by the management from:
- a. Audited Special Purpose Financial Statements of the Company for the period from 01/04/2023 to 31/07/2023 prepared in accordance with Accounting Standard as prescribed under section 133 of the Act and other accounting principles generally accepted in India, which has been approved by the Board of Directors at their meeting held on 05-10-2023.
 - b. Audited Financial Statements of the Company for the years ended on March 31, 2023, 2022 and 2021, prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act read with Companies (Accounting Standards) Rules as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held 05-10-2023.
5. For the purpose of our examination, we have relied on:
- a. Auditor's Report issued by us dated October 5, 2023 on the Financial Statement of the Company for the period from 01/04/2023 to 31/07/2023 and for the year ended March 31, 2023 respectively, and
 - b. Auditors' Report issued by the Previous Auditors dated September 2, 2022 and November 29, 2021 on the financial statements of the Company as at and for the years ended March 31, 2022 and 2021 respectively as referred in Paragraph 4(b) above.

The Audit for the financial years ended March 31, 2022 and 2021 were conducted by the Company's previous auditors **CA Balasubramanian**, Chartered Accountant (**"the Previous Auditor"**). The Previous auditor is not in the position to examine the Restated Statement of Assets and Liabilities and the Restated Statements of Profit and Loss and Cash flow Statements, the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the Audited Financial Information). We have performed adequate procedures to restate the Financial Information for the said years. The Examination Report included for the said years is based solely on the report submitted by the Previous Auditor.

6. There were no qualifications in the Audit Reports issued by us and by previous auditor as at and for the period from 01/04/2023 and 31/07/2023 and for the years ended on March 31, 2023, 2022 and 2021 which would require adjustments in this Restated Financial Information of the Company.
7. Based on our examination and according to the information and explanations given to us, we report that:
- a. The Restated Summary Statements have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any;
 - b. The Restated Summary Statements do not require any adjustments for the matter(s) giving rise to modifications mentioned in paragraph 6 above.

- c. The Restated Summary Statements have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
- d. The Restated Summary Statements have been made after incorporating adjustments for prior period and other material amounts in the respective financial years to which they relate, if any and there are no qualifications which require adjustments;
- e. Extra-ordinary items that need to be disclosed separately in the accounts has been disclosed wherever required;
- f. There was no change in accounting policies, which need to be adjusted in the Restated Summary Statement. The details of Prior period Adjustments are given in Annexure 5 of the Restated Financial Statements.
- g. From Financial Years 2020-21 to 2022-23 and for the period from 01/04/2023 to 31/07/2023, i.e., the period covered in the restatement, the Company has not declared and paid any dividend.
8. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company as at and for the period from 01/04/2023 to 31/07/2023 and as at and for the years ended on March 31, 2023, 2022 and 2021 proposed to be included in the Draft Red Herring Prospectus / Red Herring Prospectus.

| Annexure No. | Particulars |
|---------------------|--|
| 1 | Standalone Financial Statement of Assets & Liabilities as Restated |
| 2 | Standalone Financial Statement of Profit & Loss as Restated |
| 3 | Standalone Financial Statement of Cash Flow as Restated |
| 4 | Significant Accounting Policy and Notes to the Restated Summary Statements |
| 5 | Adjustments made in Restated Financial Statements / Regrouping Notes |
| 6 | Statement of Share Capital as Restated |
| 7 | Statement of Reserves & Surplus as Restated |
| 8 | Statement of Long-Term Borrowings as Restated |
| 9 | Statement of Deferred Tax Liability as Restated |
| 10 | Statement of Long -Term Provisions as Restated |
| 11 | Statement of Short - Term Borrowings as Restated |
| 12 | Statement of Trade Payables as Restated |
| 13 | Statement of Other Current Liabilities as Restated |
| 14 | Statement of Short - Term Provisions as Restated |
| 15 | Statement of Property, Plant & Equipment and Depreciation as Restated |
| 16 | Statement of Non-Current Investments as Restated |
| 17 | Statement of Other Non-Current Assets as Restated |
| 18 | Statement of Inventories as Restated |
| 19 | Statement of Trade Receivables as Restated |
| 20 | Statement of Cash & Bank Balances as Restated |
| 21 | Statement of Other Current Assets as Restated |
| 22 | Statement of Revenue from Operations as Restated |
| 23 | Statement of Other Income as Restated |
| 24 | Statement of Cost of Consumption as Restated |
| 25 | Statement of Other Manufacturing Expenses as Restated |
| 26 | Statement of Employees Benefit Expenses as Restated |
| 27 | Statement of Finance Costs as restated |
| 28 | Statement of Depreciation & Amortization Expenses as Restated |

| | |
|----|--|
| 29 | Statement of Other Expenses as Restated |
| 30 | Statement of Earnings Per Share as Restated |
| 31 | Statement of Tax Shelter as Restated |
| 32 | Statement of Related Parties Transaction as Restated |
| 33 | Statement of Provision for Gratuity as Restated |
| 34 | Statement of Contingent Liability As Restated |
| 35 | Statement of Additional Disclosures with Respect to amendments to schedule - III as Restated |
| 36 | Statement of Capitalisation Statement as Restated |

9. We, M/s. **PPN And Company**, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate issued by the “**Peer Review Board**” of the ICAI.
10. The Restated Financial Information does not reflect the effects of events that occurred subsequent to the respective dates of the reports on the Special Purpose Financial Statements and Audited Financial Statements mentioned in paragraph 5 above.
11. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
13. Our report is intended solely for use of the Board of Directors for inclusion in the Draft Red Herring Prospectus / Red Herring Prospectus to be filed with Securities and Exchange Board of India, the stock exchanges and Registrar of Companies, Chennai in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For P P N And Company,
Chartered Accountants,
ICAI Firm Reg. No.: 013623S
Peer Review Certificate No: 013578

R.Rajaram
Partner
Membership No: 238452
UDIN: 23238452BGXDYZ8380

Place: Chennai
Date: October 05, 2023

INDEPENDENT AUDITOR’S REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

TO THE BOARD OF DIRECTORS OF SUPREME POWER EQUIPMENT LIMITED (FORMERLY KNOWN AS SUPREME POWER EQUIPMENT PRIVATE LIMITED)

We have audited the accompanying financial statements of M/s **Supreme power equipment Ltd (Formerly known as Supreme power equipment Private limited)** (the “Company”), which comprise the Balance Sheet **for the period ended July 31, 2023**, and the Statement of Profit and Loss, and Cash Flow Statement for the period ended July 31, 2023, and a summary of significant accounting policies and other explanatory information. The financial statements have been prepared by the Management based on the financial reporting provisions of regulations in accordance with the accounting principles generally accepted in India including the Accounting Standards specified under section 133 of the Act read with Companies (Accounting Standards) Rules, 2021, as amended.

Management’s Responsibility for the Financial Statements:

The Management is responsible for the preparation of this financial statements that give a true and fair view of the state of affairs, results of operations and cash flows of the Company in accordance with financial reporting provisions of regulations in accordance with the Accounting Principles Generally Accepted in India, including the Accounting Standards specified under section 133 of the Act read with Companies (Accounting Standards) Ruled, 2021 as amended; this includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Financial Statements that give true and fair view and or free from material misstatement, whether due to fraud or error.

Auditor’s Responsibilities:

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with standards on Auditing issued by the Institute of Chartered Accountants of India (ICAI). Those standards required that, we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosure in the financial statements. The procedure selected depends upon the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessment, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanation given to us, the financial statements give a true and fair view of the state of affairs of **SUPREME POWER EQUIPMENT LIMITED (Formerly Known as Supreme Power Equipment Private Limited)** for the period ended July 31, 2023, and of its results of operations and its cash flows for the period ended July 31, 2023 then ended in accordance with the financial reporting provisions of regulation in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act read with Companies (Accounting Standards) Rules, 2021, as amended.

Basis of Accounting

Without modifying our opinion we draw attention to the financial statements which describes the basis of accounting. The financial statements are prepared to assist **Supreme Power Equipment Limited** to meet the requirements of section 26 of Part I of chapter III of the Companies Act 2013 (the Act) and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (ICDR Regulations). As a result the financial statements may not be suitable for another purpose.

**For P P N And Company,
Chartered Accountants,
ICAI Firm Reg. No.: 013623S
Peer Review Certificate No: 013578**

**R.Rajaram
Partner
Membership No: 238452
UDIN: 23238452BGXDYY1869**

**Place: Chennai
Date: October 05, 2023**

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ANNEXURE- 1

STANDALONE STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

(Amt in Lakh)

| Particulars | Note No. | For the period ended 31st July 2023 | For the year ended 31 March, 2023 | For the year ended 31 March, 2022 | For the year ended 31 March, 2021 |
|--|----------|-------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| A. EQUITY AND LIABILITIES | | | | | |
| 1 Shareholders' Funds | | | | | |
| (a) Share Capital | 6 | 395.80 | 395.80 | 395.80 | 395.80 |
| (b) Reserves and Surplus | 7 | 1,902.46 | 1,409.89 | 327.60 | 275.81 |
| 2 Non-Current Liabilities | | | | | |
| (a) Long-term borrowings | 8 | 269.17 | 264.22 | 376.62 | 257.35 |
| (b) Deferred Tax Liability (Net) | 9 | 4.87 | 4.25 | 3.11 | 3.03 |
| (c) Long-Term Provisions | 10 | 12.74 | 12.03 | 10.69 | 8.82 |
| 3 Current liabilities | | | | | |
| (a) Short term borrowings | 11 | 1,042.80 | 544.72 | 592.97 | 1,792.16 |
| (b) Trade Payables | 12 | | | | |
| a. Total Outstanding dues of micro, small and medium enterprises | | 352.45 | 435.09 | 248.58 | 328.55 |
| b. Total outstanding dues other than micro, small and medium enterprises | | 2,430.31 | 1,281.46 | 1,350.58 | 238.98 |
| (c) Other current liabilities | 13 | 349.00 | 112.42 | 10.57 | 16.19 |
| (d) Short term provisions | 14 | 425.74 | 291.03 | 18.87 | 12.54 |
| TOTAL EQUITY AND LIABILITIES | | 7,185.36 | 4,750.93 | 3,335.38 | 3,329.23 |
| B. ASSETS | | | | | |
| 1 Non-current assets | | | | | |
| (a) Property, Plant & Equipment and Intangible Assets | | | | | |
| (i) Property, Plant & Equipment | 15 | 900.55 | 257.01 | 272.55 | 299.68 |
| (ii) Capital Work in Progress | 15 | 2.56 | 2.56 | - | - |
| (b) Non-Current Investments | 16 | 326.55 | 231.28 | 10.00 | 10.00 |
| (d) Other Non-Current Assets | 17 | 130.84 | 143.91 | 151.54 | 129.69 |
| 2 Current assets | | | | | |
| (a) Inventories | 18 | 2,148.48 | 1,549.94 | 979.96 | 831.60 |
| (b) Trade Receivables | 19 | 3,461.77 | 2,446.89 | 1,787.39 | 1,575.12 |
| (c) Cash & Bank Balances | 20 | 2.61 | 5.71 | 34.36 | 271.71 |
| (d) Other Current Assets | 21 | 212.00 | 113.63 | 99.58 | 211.43 |
| TOTAL ASSETS | | 7,185.36 | 4,750.93 | 3,335.38 | 3,329.23 |

STANDALONE FINANCIAL STATEMENT OF PROFIT & LOSS AS RESTATED

(Amount in Lakh)

| Particulars | Note No. | For the period ended 31st July 2023 | For the year ended 31 March, 2023 | For the year ended 31 March, 2022 | For the year ended 31 March, 2021 |
|---|----------|-------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| I | | | | | |
| Revenue from operations | 22 | 3,429.34 | 7,553.03 | 4,660.47 | 3,535.17 |
| Other income | 23 | 96.61 | 237.10 | 10.45 | 11.60 |
| Total Income(1+2) | | 3,525.95 | 7,790.13 | 4,670.92 | 3,546.77 |
| II | | | | | |
| Expenditure | | | | | |
| Cost of Consumption | 24 | 2,707.15 | 5,802.45 | 4,074.63 | 3,021.35 |
| Other Manufacturing Expenses | 25 | 45.00 | 114.92 | 63.55 | 91.16 |
| Employee Benefits Expenses | 26 | 32.11 | 100.14 | 68.86 | 76.62 |
| Finance Costs | 27 | 48.44 | 162.49 | 254.64 | 208.34 |
| Depreciation & Amortisation Expenses | 28 | 7.79 | 23.45 | 29.78 | 31.49 |
| Other Expenses | 29 | 59.51 | 218.96 | 109.21 | 78.62 |
| Total expenditure | | 2,899.98 | 6,422.41 | 4,600.67 | 3,507.58 |
| III | | | | | |
| Profit Before Exceptional and Extraordinary Items and Tax (I-II) | | 625.97 | 1,367.72 | 70.25 | 39.19 |
| IV | | | | | |
| Exceptional and extraordinary items | | 0.00 | 0.00 | 0.00 | 0.00 |
| Prior period items | | 0.00 | 0.00 | 0.00 | 0.00 |
| V | | | | | |
| Profit/(Loss) Before Tax (III-IV) | | 625.97 | 1,367.72 | 70.25 | 39.19 |
| VI | | | | | |
| Tax expense | | | | | |
| Current Tax | | 132.78 | 284.28 | 18.37 | 11.54 |
| Deferred Tax | | 0.62 | 1.14 | 0.08 | 1.09 |
| VII | | | | | |
| Profit/(Loss) for the Year (V-VI) | | 492.57 | 1,082.29 | 51.81 | 26.56 |
| VIII | | | | | |
| Earnings per Equity Share of Rs.10 Each* | | | | | |
| (1) Basic (In Rupees) | | 2.77 | 6.08 | 0.29 | 0.15 |
| (2) Diluted (In Rupees) | | 2.77 | 6.08 | 0.29 | 0.15 |

* For calculation of Earnings per share - Shares including bonus issue is considered as denominator

STANDALONE FINANCIAL STATEMENT OF CASH FLOW AS RESTATED

(Amount in ₹ Lakhs)

| | Particulars | For the period ended 31st July 2023 | For the year ended 31 March, 2023 | For the year ended 31 March, 2022 | For the year ended 31 March, 2021 |
|--|---|-------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| A | CASH FLOWS FROM OPERATING ACTIVITIES: | | | | |
| | Net Profit After Tax | 492.57 | 1082.29 | 51.81 | 26.56 |
| | Adjustments for: | | | | |
| | Income Tax Expenses | 133.40 | 285.43 | 18.44 | 12.63 |
| | Depreciation | 7.79 | 23.45 | 29.78 | 31.49 |
| | Interest Expenses | 40.24 | 131.19 | 232.97 | 171.59 |
| | Interest Income | (0.12) | (2.17) | (10.45) | (8.85) |
| | Operating Profit before working capital changes: | 673.88 | 1,520.19 | 322.55 | 233.42 |
| | Adjustments for Changes in Working Capital: | | | | |
| | (Increase)/Decrease in Trade Receivables | (1,014.88) | (659.50) | (212.27) | (205.43) |
| | (Increase)/Decrease in Inventories | (598.54) | (569.98) | (148.36) | (194.05) |
| | (Increase)/Decrease in Other Current Assets | (98.37) | (14.05) | 111.85 | (41.63) |
| | (Increase)/Decrease in Other Non-Current Assets | 13.07 | 7.63 | (21.85) | (7.28) |
| | Increase/(Decrease) in Short Term Borrowings | 498.08 | (48.25) | (1,199.19) | 1,792.16 |
| | Increase/(Decrease) in Trade and Other Payables | 1,066.21 | 117.40 | 1,031.63 | 9.67 |
| | Increase/(Decrease) in Other Current Liabilities | 239.22 | 109.44 | (4.25) | (1,001.79) |
| | Cash Generated from Operations | 778.66 | 462.88 | (119.89) | 585.06 |
| | Income Taxes Paid | - | (18.37) | (11.54) | (13.60) |
| | NET CASH FROM OPERATING ACTIVITIES (A) | 778.66 | 444.51 | (131.43) | 571.46 |
| B | CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| | Interest Received | 0.12 | 2.17 | 10.45 | 8.85 |
| | Fixed Assets Purchased including CWIP | (651.32) | (10.47) | (2.65) | (0.15) |
| | (Increase)/Decrease in Non-Current Investments | (95.27) | (221.28) | - | - |
| | NET CASH USED IN INVESTING ACTIVITIES (B) | (746.47) | (229.58) | 7.80 | 8.70 |
| C | CASH FLOWS FROM FINANCING ACTIVITIES | | | | |
| | Interest paid | (40.24) | (131.19) | (232.97) | (171.59) |
| | Increase / (Decrease) in Long-Term Borrowings | 4.95 | (112.39) | 119.27 | (163.47) |
| | NET CASH USED IN FINANCING ACTIVITIES (C) | (35.29) | (243.58) | (113.70) | (335.06) |
| | Exchange difference on Realized (Loss)/Gain | - | - | - | - |
| D | NET INCREASE IN CASH AND CASH EQUIVALENT (A+B+C) | (3.10) | (28.65) | (237.33) | 245.09 |
| | Opening Cash and Cash Equivalents | 5.71 | 34.36 | 271.71 | 26.62 |
| | CLOSING CASH AND CASH EQUIVALENT | 2.61 | 5.71 | 34.38 | 271.71 |
| RECONCILIATION OF CASH AND CASH EQUIVALENTS WITH THE BALANCE SHEET: | | | | | |
| | Cash & Cash Equivalent as per Balance sheet | 2.61 | 5.71 | 34.36 | 271.71 |
| | Cash & Cash Equivalent at the End of the Period | 2.61 | 5.71 | 34.36 | 271.71 |

SIGNIFICANT ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE RESTATED FINANCIAL STATEMENTS

(All amount in Indian Rupees in Lakhs, unless otherwise stated)

A. BACKGROUND

Supreme Power Equipment private Limited (the Holding Company) having CIN: U31200TN2005PTC056666 incorporated on 21st June 2005 under the provisions of the Companies Act 1956, and having its registered office at 55, SIDCO, Industrial Estates, Thirumazhisai, Poonamallee, Tiruvallur, Tamil Nadu - 600124. Subsequently, Company was converted into Public Limited Company vide special resolution passed by our shareholders at the Extra Ordinary General Meeting held on 31.08.2023 and the name of the Company was changed to Supreme Power Equipment Limited ("the Company" or the "Issuer") pursuant to issuance of Fresh Certificate of Incorporation dated 18.9.2023 Registrar of Companies, Chennai with Corporate Identification Number U31200TN2005PLC056666.

The Company is engaged to carry on the business of manufacturing, assembling, fabrication of transformer of all varieties electrical transmission equipments and control units, erection, commission and testing of high tensionlines,electrical distribution panels, electrical, electronic and mechanical apparatus for any purpose and to deal, sell, supply, in accumulators, lamps, meters, engines, dynamic batteries.

B. SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPARATION

"The summary statement of restated assets and liabilities of the Company as at 31st July 2023, 31st March 2023, 31st March, 2022 and 31st March, 2021 and the related summary statement of restated profit and loss and cash flows For the Period ended 31st July 2023, 31st March 2023, 31st March, 2022 and 31st March, 2021(collectively referred to as the "Restated summary financial information") have been prepared specifically for the purpose of inclusion in the offer document to be filed by the Company in connection with the proposed Initial Public Offering (hereinafter referred to as 'IPO').

The restated summary financial information has been prepared by applying necessary adjustments to the financial statements ('financial statements') of the Company. The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the accounting standards specified under section 133 of the Companies Act, 2013, of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"), as applicable and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) regulations 2009, as amended (the "Regulations"). The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistently applied."

2. USE OF ESTIMATES:

The preparation of the financial statements in conformity with Generally Accepted Accounting Principles requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and the reported amounts of income and expenses during the year. Examples of such estimates include provisions for doubtful debts, income taxes, post - sales customer support and the useful lives of Property Plant and Equipments and intangible assets.

3. Revenue Recognition

The company derives its revenues primarily from engaging in the business of electrical contractors, estimators, planners, designers, research workers, dealers in electrical, mechanical, automobiles railway equipments and machinery in all branches of engineering. Revenue from services provided under fixed price contracts, where the outcome can be estimated reliably, is recognized based on contract activity. Revenue on time-and-material contracts are recognized as the related services are performed and the revenues from the end of the last billing to the balance sheet date are recognized as unbilled revenues.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured in accordance with AS-9, Revenue Recognition. Sales are recognized on accrual basis, and only after transfer of services to the customer.

Revenue from services provided under fixed price contracts, where the outcome can be estimated reliably, is recognized following the proportionate completion method, where revenue is recognized in proportion to the progress of the contract activity. The progress of the contract activity is usually determined as a proportion of efforts incurred up to the balance sheet date, which bears to the total hours / days estimated for the contract.

Revenue on time-and-material contracts are recognized as the related services are performed and the revenues from the end of the last billing to the balance sheet date are recognized as unbilled revenues.

Interest Income: Revenue is recognized on the time proportion basis after taking into account the amount outstanding and the rate applicable.

Dividend Income: Dividend Income is recognised when the owners right to receive payment is established.

Other Income: Other items of income and expenditure are recognized on accrual basis and as a going concern basis, and the accounting policies are consistent with the generally accepted accounting policies.

4. Property Plant and Equipment including Intangible Assets:

Property Plant and Equipments are stated at cost, less accumulated depreciation. Cost includes cost of acquisition including material cost, freight, installation cost, duties and taxes, and other incidental expenses, incurred up to the installation stage, related to such acquisition. Property Plant and Equipments purchased in India in foreign currency are recorded in Rupees, converted at the exchange rate prevailed on the date of purchase. Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss.

5. Depreciation & Amortisation:

The Company has applied the estimated useful lives as specified in Schedule II of the Companies Act 2013 and calculated the depreciation as per the Written Down Value (WDV) method. Depreciation on new assets acquired during the year is provided at the rates applicable from the date of acquisition to the end of the financial year. In respect of the assets sold during the year, depreciation is provided from the beginning of the year till the date of its disposal.

Intangible assets are amortised on a straight-line basis over the estimated useful life as specified in Schedule II of the Companies Act 2013. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss. In respect of the assets sold during the year, amortisation is provided from the beginning of the year till the date of its disposal.

The estimated useful lives of assets are as follows: Useful life of Property, Plant and Equipment's

| CATEGORY | Useful life |
|------------------------|-------------|
| Computer & Accessories | 6 years |
| Furniture & Fittings | 10 years |
| Testing Equipments | 15-20 years |
| Buildings | 58 years |
| Plant & Machinery | 15 years |
| Electrical Fittings | 15 years |
| Vehicles | 10 years |

6. Impairment of Assets:

The Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognised wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. Reversal of impairment loss is recognised immediately as income in the profit and loss account.

7. Foreign Currency Transactions:

Domestic Operation:

I. Initial Recognition:

Foreign currency transactions are recorded, on initial recognition in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

II. Measurement:

Foreign currency monetary items are reported using the closing rate.

Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

III. Treatment of Foreign Exchange:

Exchange differences arising on settlement/restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expenses in the Statement of Profit and Loss

8. Employee Benefits:

A Short - term Employee Benefits:

Leave Encashment:

The leave encashment liability upon retirement would not arise as the accumulated leave is reimbursed every year and accounted at actual.

B Post-Employment Benefits:

Defined Benefit Plan:

Gratuity liability is a defined benefit obligation and is unfunded. The Company accounts for liability for future gratuity benefits based on the actuarial valuation using Projected Unit Credit Method carried out as at the end of each financial year.

Defined Contribution Plan:

Provident Fund: Eligible employees receive benefit from provident fund covered under the Provident Fund Act. Both the employee and the company make monthly contributions. The employer contribution is charged off to Profit & Loss Account as an expense.

9. Taxes on Income:

Income Tax expense is accounted for in accordance with AS-22 "Accounting for Taxes on Income" for both Current Tax and Deferred Tax stated below:

A. Current Tax:

Provision for current tax is made in accordance with the provisions of the Income Tax Act, 1961.

B. Deferred Tax:

Deferred tax is recognised, subject to the consideration of prudence, as the tax effect of timing difference between the taxable income and accounting income computed for the current accounting year using the tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax assets are recognised and carried forward to the extent that there is a reasonable certainty, except arising from unabsorbed depreciation and carried forward losses, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

10. Provisions and Contingent Liabilities:

A provision is recognised if, as a result of past event, the Company has a present legal obligation that can be estimated reliably and it is probable that an outflow of economic benefit will be required to settle the obligation. Provisions are determined by the best estimate of outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is possible obligation or present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

11. Earnings Per Share:

Basic Earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

12. Operating Leases -Progress

Lease where the Lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating lease. Operating lease payments are recognized as an expense in the Profit and Loss Account on a straight-line basis.

13. Cash and Cash Equivalents:

Cash and cash equivalents comprise cash and cash deposits with banks. The Company considers all highly liquid investments with a original maturity at a date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

14. Cash Flow Statement:

Cash flows are reported using indirect method, whereby net profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

15. Investments:

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

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**ANNEXURES TO RESTATED STANDALONE D FINANCIAL STATEMENT
ADJUSTMENTS MADE IN RESTATED STANDALONE FINANCIAL STATEMENTS**

REGROUPING NOTES

ANNEXURE – 5

Adjustments having no impact on Profit Material Regrouping

Appropriate adjustments have been made in the restated summary statements, 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, prepared in accordance with Schedule III and the requirements of the Securities Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018 (as amended).

Reconciliation of Profit:

(Amount in ₹ Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|---|------------------------|-------------------------|-------------------------|-------------------------|
| Net profit After Tax as Per Audited Accounts But Before Adjustments for Restated Accounts: | 492.57 | 1,082.29 | 51.81 | 33.62 |
| Provision for Gratuity Recognized | - | - | (1.87) | (8.82) |
| Difference in Amount of Depreciation | - | - | 1.62 | 2.10 |
| Provision for Tax | - | - | - | - |
| Provision for Deferred Tax | - | - | 0.25 | (0.34) |
| Net adjustment in Profit and loss Account | - | - | 0.00 | (7.06) |
| Adjusted Profit after Tax | 492.57 | 1,082.29 | 51.81 | 26.56 |
| Net Profit after Tax as per Restated Accounts | 492.57 | 1,082.29 | 51.81 | 26.56 |

Reconciliation of Equity:

(Amount in ₹ Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|--|------------------------|-------------------------|-------------------------|-------------------------|
| Equity as per Audited Financial Statements | 2,298.26 | 1,805.69 | 727.76 | 675.96 |
| Provision for Gratuity Recognized | - | - | (1.87) | (8.82) |
| Difference in Amount of Depreciation | - | - | 3.72 | 2.10 |
| Difference in Carrying Value of Assets Due to Errors in Depreciation | - | - | 0.92 | 0.92 |
| Provision for Tax | - | - | - | - |
| Provision for Deferred Tax | - | - | 1.59 | 1.45 |
| Net adjustment in Equity | - | - | 4.37 | (4.35) |
| Adjusted Equity | 2,298.26 | 1,805.69 | 723.40 | 671.61 |
| Equity as Restated | 2,298.26 | 1,805.69 | 723.40 | 671.61 |

ANNEXURE – 6

Statement of Equity Share Capital

(Amount in ₹ Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|--|---------------------|----------------------|----------------------|----------------------|
| Authorised Share Capital | | | | |
| 2,50,00,000 Equity Shares of Rs 10/- each ** | 2,500.00 | 500.00 | 500.00 | 500.00 |
| Issued, Subscribed & Paid Up | | | | |
| 39,58,030 Equity Shares of Rs 10/- each fully paid | 395.80 | 395.80 | 395.80 | 395.80 |
| Total | 395.80 | 395.80 | 395.80 | 395.80 |

* The face value of equity share was Rs.100/- per share and the same was sub-divided into Rs.10/- per share vide members special resolution at EGM held on 13-07-2023.

Authorised capital was increased from 50,00,000 equity shares to 2,50,00,000 equity shares vide members special resolution at EGM held on 13-07-2023.

(in Nos.)

| Particulars | As at July 31, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|---|---------------------|----------------------|----------------------|----------------------|
| Equity Shares # | | | | |
| At the Beginning of the Year | 3,95,803 | 3,95,803 | 3,95,803 | 3,95,803 |
| Subdivision of Equity Shares | 35,62,227 | 35,62,227 | 35,62,227 | 35,62,227 |
| Issued During the Year | - | - | - | - |
| Shares Bought Back during the Year | - | - | - | - |
| Total Outstanding at the End of the Year | 39,58,030 | 39,58,030 | 39,58,030 | 39,58,030 |

*Note: The face value of equity shares was Rs. 100 per share and it was sub divided into Rs. 10 per share vide members special resolution at EGM held on 13-07-2023. However, for the purpose of restated financials statements, we have given the effect equally across all the financial years in the restated financial statement in order to maintain uniformity.

Terms/ Rights Attached to Equity Shares

The Company has one class of equity shares having a par value of Rs. 10/-each. Each shareholder is eligible for one vote per share held. The dividend proposed (if any) by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. The company has allotted Bonus Shares on 04/09/2023 in the ratio of 35 shares for every 10 share held vide its members resolution passed in EGM 31.08.2023

Details of Shareholding of Promoter:

| Particulars | As at July 31, 2023 | | As at March 31, 2023 | | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---------------------|-----------|----------------------|-----------|----------------------|-----------|----------------------|-----------|
| | No. of shares Held | % Holding | No. of shares Held | % Holding | No. of shares Held | % Holding | No. of shares Held | % Holding |
| Equity shares of Rs. 10 each fully paid-up | | | | | | | | |
| Vee Rajmohan | 17,19,540 | 43.44% | 17,19,540 | 43.44% | 15,57,500 | 39.35% | 15,57,500 | 39.35% |
| K.V Pradeep | 6,17,090 | 15.59% | 6,17,090 | 15.59% | 5,07,820 | 12.83% | 5,07,820 | 12.83% |
| % Change during the year/ Period * | 0.00% | | 6.85% | | 0.00% | | 0.00% | |

* The % change mentioned here denotes the absolute change of share percentage during the period.

Particulars of shareholders holding more than 5% shares

(Amount in ₹Lakhs)

| Particulars | As at July 31, 2023 | | As at March 31, 2023 | | As at March 31, 2022 | | As at March 31, 2021 | |
|----------------|---------------------|-----------|----------------------|-----------|----------------------|-----------|----------------------|-----------|
| | No. of shares Held | % Holding | No. of shares Held | % Holding | No. of shares Held | % Holding | No. of shares Held | % Holding |
| Vee Rajmohan | 17,19,540 | 43.44% | 17,19,540 | 43.44% | 15,57,500 | 39.35% | 15,57,500 | 39.35% |
| Vivek J | - | 0.00% | - | 0.00% | 6,92,850 | 17.50% | 6,92,850 | 17.50% |
| Savita pradeep | 5,85,010 | 14.78% | 5,85,010 | 14.78% | 6,59,690 | 16.67% | 6,59,690 | 16.67% |
| K.V Pradeep | 6,17,090 | 15.59% | 6,17,090 | 15.59% | 5,07,820 | 12.83% | 5,07,820 | 12.83% |
| Sasikala | 2,19,730 | 5.55% | 2,19,730 | 5.55% | 2,93,050 | 7.40% | 2,93,050 | 7.40% |

| | | | | | | | | |
|---|------------------|---------------|------------------|---------------|------------------|---------------|------------------|---------------|
| Rajasthan Global Securities Private Limited | 5,26,830 | 13.31% | 5,26,830 | 13.31% | - | 0.00% | - | 0.00% |
| Total | 36,68,200 | 92.68% | 36,68,200 | 92.68% | 37,10,910 | 93.76% | 37,10,910 | 93.76% |

ANNEXURE - 7

STATEMENT OF RESERVES AND SURPLUS AS RESTATED

(Amount in ₹Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|--|---------------------|----------------------|----------------------|----------------------|
| (a) General Reserve | | | | |
| Opening Balance | 1,400.00 | - | - | - |
| Less: Prior Period Adjustments | - | - | - | - |
| Add: Additions during the Year | 400.00 | 1,400.00 | - | - |
| Less: Transferred to Other Reserves (Dividend, Bonus, to Reserves) | - | - | - | - |
| Closing Balance | 1,800.00 | 1,400.00 | - | - |
| (b) Surplus | | | | |
| Opening Balance | 9.89 | 327.60 | 275.81 | 246.54 |
| Less: Prior Period Adjustments | - | - | (0.02) | 2.71 |
| Add: Additions during the Year | 492.57 | 1,082.29 | 51.81 | 26.56 |
| Less: Transferred to General Reserves | (400.00) | (1,400.00) | - | - |
| Closing Balance | 102.46 | 9.89 | 327.60 | 275.81 |
| Total | 1,902.46 | 1,409.89 | 327.60 | 275.81 |

ANNEXURE - 8

STATEMENT OF LONG-TERM BORROWINGS AS RESTATED

(Amount in ₹Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|------------------------|---------------------|----------------------|----------------------|----------------------|
| Secured | | | | |
| a) Term Loans: | | | | |
| i. From Banks (Note 1) | 269.17 | 264.22 | 376.62 | 257.35 |
| Total | 269.17 | 264.22 | 376.62 | 257.35 |

NATURE OF SECURITY AND TERMS OF REPAYMENT FOR LONG TERM BORROWINGS

Note :1

| Particulars | Terms of Repayment (in months) | Rate of Interest (p.a.) | "No of O/S Instalments (in months)" | "Instalment Amount (Rs. In Lakhs)" | Closing Balance as at 31-07-23 (Amount in Lakhs) |
|---|--------------------------------|-------------------------|-------------------------------------|------------------------------------|--|
| Canara Bank Limited | 48 | 9.25% | 11 | 7.89 | 90.73 |
| Canara Bank Limited | 60 | 9.25% | 43 | 1.21 | 190.00 |
| Indusind Bank Limited | 60 | 8.75% | 43 | 0.26 | 34.68 |
| Indusind Bank Limited | 48 | 9.25% | 13 | 2.14 | 25.05 |
| HDFC Bank Limited | 60 | 8.60% | 60 | 1.60 | 77.80 |
| Subtotal | | | | | 418.26 |
| Less: Current Maturities classified under Short Term Borrowings | | | | | 149.09 |
| Long Term Borrowings | | | | | 269.17 |

Notes:

- (i) The figures disclosed above are based on the Statements of Assets and Liabilities as Restated of the Company
(ii) The rate of interest given above are as agreed with the lenders in the respective facility letters.
(iii) The above includes long-term borrowings disclosed under Annexure and the current maturities of long-term borrowings included in other current liabilities

ANNEXURE -9**STATEMENT OF DEFERRED TAX LIABILITY AS RESTATED***(Amount in ₹Lakhs)*

| Particulars | As at July 31, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|--------------------------------|---------------------|----------------------|----------------------|----------------------|
| Deferred Tax Liability | | | | |
| (a) On Account of Depreciation | 8.08 | 7.28 | 5.78 | 5.24 |
| (b) On Account of Gratuity | (3.21) | (3.03) | (2.67) | (2.20) |
| Total | 4.87 | 4.25 | 3.11 | 3.03 |

ANNEXURE -10**STATEMENT OF LONG-TERM PROVISIONS AS RESTATED***(Amount in ₹Lakhs)*

| Particulars | As at July 31, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|-------------------------------------|---------------------|----------------------|----------------------|----------------------|
| (a) Provision for Employee Benefits | 12.74 | 12.03 | 10.69 | 8.82 |
| Total | 12.74 | 12.03 | 10.69 | 8.82 |

ANNEXURE -11**STATEMENT OF SHORT-TERM BORROWINGS AS RESTATED***(Amount in ₹Lakhs)*

| Particulars | As at July 31, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|---|---------------------|----------------------|----------------------|----------------------|
| Secured | | | | |
| a) Current Maturities of Long-term borrowings | 149.09 | 112.39 | 105.41 | 168.21 |
| b) Bank Overdraft | 246.62 | 33.51 | 158.56 | 65.98 |
| c) Short Term Borrowings from banks | 647.09 | 398.82 | 328.99 | 1,557.96 |
| Total | 1,042.80 | 544.72 | 592.97 | 1,792.16 |

NATURE OF SECURITY AND TERMS OF REPAYMENT FOR SHORT TERM BORROWINGS

| Nature of Facility | Name of Institution/Banks | Rate of Interest | As at July 31, 2023 | As at March 31, 2023 | Nature of securities |
|--------------------|---------------------------|------------------|---------------------|----------------------|----------------------|
| Bank overdraft | Indusind Bank Limited | 10.61% | 246.62 | 33.51 | Stock and Debtors |
| Bill discount | Canara Bank Limited | 11.35% | 647.09 | 398.82 | Debtors |

ANNEXURE -12**STATEMENT OF TRADE PAYABLES AS RESTATED***(Amount in ₹Lakhs)*

| Particulars | As at July 31, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|--|---------------------|----------------------|----------------------|----------------------|
| (A) Total Outstanding dues of Micro, Small and Medium Enterprises | 352.45 | 435.09 | 248.58 | 328.55 |
| (B) Total Outstanding dues of Creditors Other than Micro, Small and Medium Enterprises | 2,430.31 | 1,281.46 | 1,350.58 | 238.98 |
| Total | 2,782.76 | 1,716.56 | 1,599.16 | 567.53 |

Trade Payables Ageing Schedule for the Year Ended July 31, 2023*(Amount in ₹ Lakhs)*

| Particulars | Outstanding for following periods from due date of payment | | | | |
|--|--|----------|---------|--------|-----------------|
| | <1Year | 1-2 Year | 2-3Year | >3Year | Total |
| (A) Total Outstanding Dues of Micro, Small and Medium Enterprises | 352.45 | - | - | - | 352.45 |
| (B) Total Outstanding Dues of Creditors Other than Micro, Small and Medium Enterprises | 2,430.31 | - | - | - | 2,430.31 |

Trade Payables Ageing Schedule for the Year Ended March 31, 2023*(Amount in ₹ Lakhs)*

| Particulars | Outstanding for following periods from due date of payment | | | | |
|--|--|----------|---------|--------|----------|
| | <1Year | 1-2 Year | 2-3Year | >3Year | Total |
| (A) Total Outstanding Dues of Micro, Small and Medium Enterprises | 435.09 | - | - | - | 435.09 |
| (B) Total Outstanding Dues of Creditors Other than Micro, Small and Medium Enterprises | 1,281.46 | - | - | - | 1,281.46 |

Trade Payables Ageing Schedule for the Year Ended March 31, 2022*(Amount in ₹ Lakhs)*

| Particulars | Outstanding for following periods from due date of payment | | | | |
|--|--|----------|---------|--------|-----------------|
| | <1Year | 1-2 Year | 2-3Year | >3Year | Total |
| (A) Total Outstanding Dues of Micro, Small and Medium Enterprises | 248.58 | - | - | - | 248.58 |
| (B) Total Outstanding Dues of Creditors Other than Micro, Small and Medium Enterprises | 1,350.58 | - | - | - | 1,350.58 |

Trade Payables Ageing Schedule for the Year Ended March 31, 2021*(Amount in ₹ Lakhs)*

| Particulars | Outstanding for following periods from due date of payment | | | | |
|--|--|----------|---------|--------|---------------|
| | <1Year | 1-2 Year | 2-3Year | >3Year | Total |
| (A) Total Outstanding Dues of Micro, Small and Medium Enterprises | 328.55 | - | - | - | 328.55 |
| (B) Total Outstanding Dues of Creditors Other than Micro, Small and Medium Enterprises | 238.98 | - | - | - | 238.98 |

ANNEXURE -13**STATEMENT OF OTHER CURRENT LIABILITIES AS RESTATED***(Amount in ₹Lakhs)*

| Particulars | As at July 31, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|------------------------|---------------------|----------------------|----------------------|----------------------|
| Advance from Customers | 332.97 | 75.85 | - | - |
| Rent Payable | 0.12 | 0.12 | 0.06 | 0.06 |
| GST payable | - | 22.22 | 1.53 | - |
| TDS Payable | 1.05 | 1.96 | 1.30 | 1.37 |

| | | | | |
|-------------------------------|---------------|---------------|--------------|--------------|
| Professional Fees Payable | - | 1.24 | 0.87 | 0.86 |
| PF Payable | 0.34 | 0.35 | 0.25 | 0.47 |
| ESI Payable | 0.04 | 0.04 | 0.03 | 0.06 |
| Director Remuneration Payable | 0.85 | 1.16 | 1.13 | 7.86 |
| Other Expenses Payable | 13.63 | 9.50 | 5.41 | 5.53 |
| Total | 349.00 | 112.42 | 10.57 | 16.19 |

ANNEXURE -14

STATEMENT OF SHORT-TERM PROVISIONS AS RESTATED

(Amount in ₹Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|-----------------------------|------------------------|-------------------------|-------------------------|-------------------------|
| a) Provision for Income Tax | 417.06 | 284.28 | 18.37 | 11.54 |
| b) Other Provisions | 8.68 | 6.75 | 0.50 | 1.00 |
| Total | 425.74 | 291.03 | 18.87 | 12.54 |

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STATEMENT OF PROPERTY, PLANT & EQUIPMENT AND DEPRECIATION AS RESTATED

(Amount in ₹Lakhs)

| Particulars | Gross Block | | | | Accumulated Depreciation | | | | Net Block | |
|--------------------------|---------------|------------------------|------------------------|-----------------|--------------------------|---------------------------|--------------------------|---------------|---------------|----------------|
| | April 1, 2023 | Additions for the year | Deletions for the year | July 31, 2023 | April 1, 2023 | Depreciation for the Year | Depreciation on deletion | July 31, 2023 | July 31, 2023 | March 31, 2023 |
| Land | 25.18 | 518.81 | - | 543.99 | - | - | - | - | 543.99 | 25.18 |
| Building | 120.10 | - | - | 120.10 | 21.44 | 0.91 | - | 22.35 | 97.75 | 98.66 |
| Plant and Machinery | 90.10 | 16.00 | - | 106.10 | 65.46 | 0.96 | - | 66.42 | 39.67 | 24.63 |
| Computer | 14.31 | 0.76 | - | 15.07 | 9.88 | 0.20 | - | 10.08 | 4.99 | 4.43 |
| Testing Equipments | 194.03 | 22.00 | - | 216.03 | 98.88 | 4.44 | - | 103.32 | 112.71 | 95.15 |
| Furniture Fittings | 0.77 | - | - | 0.77 | 0.34 | 0.03 | - | 0.37 | 0.40 | 0.43 |
| Electrical Fittings | 11.78 | - | - | 11.78 | 7.90 | 0.30 | - | 8.19 | 3.58 | 3.88 |
| Van | 12.21 | 93.75 | - | 105.96 | 7.54 | 0.96 | - | 8.51 | 97.46 | 4.67 |
| Capital Work-in-Progress | | | | | | | | | | |
| Building | 2.56 | - | - | 2.56 | - | - | - | - | 2.56 | 2.56 |
| Total | 471.02 | 651.32 | - | 1,122.35 | 211.45 | 7.79 | - | 219.24 | 903.11 | 259.57 |

(Amount in lakhs)

| Particulars | Gross Block | | | | Accumulated Depreciation | | | | Net Block | |
|--------------------------|---------------|------------------------|------------------------|----------------|--------------------------|---------------------------|--------------------------|----------------|----------------|----------------|
| | April 1, 2022 | Additions for the year | Deletions for the year | March 31, 2023 | April 1, 2022 | Depreciation for the Year | Depreciation on deletion | March 31, 2023 | March 31, 2023 | March 31, 2022 |
| Land | 25.18 | - | - | 25.18 | - | - | - | - | 25.18 | 25.18 |
| Building | 120.10 | - | - | 120.10 | 18.72 | 2.72 | - | 21.44 | 98.66 | 101.38 |
| Plant and Machinery | 84.47 | 5.63 | - | 90.10 | 59.27 | 6.19 | - | 65.46 | 24.63 | 25.20 |
| Computer | 12.30 | 2.01 | - | 14.31 | 9.25 | 0.63 | - | 9.88 | 4.43 | 3.05 |
| Testing Equipments | 194.03 | - | - | 194.03 | 86.97 | 11.91 | - | 98.88 | 95.15 | 107.05 |
| Furniture Fittings | 0.77 | - | - | 0.77 | 0.27 | 0.08 | - | 0.34 | 0.43 | 0.50 |
| Electrical Fittings | 11.50 | 0.27 | - | 11.78 | 6.97 | 0.93 | - | 7.90 | 3.88 | 4.54 |
| Van | 12.21 | - | - | 12.21 | 6.56 | 0.98 | - | 7.54 | 4.67 | 5.65 |
| Capital Work-in-Progress | | | | | | | | | | |
| Building | - | 2.56 | - | 2.56 | - | - | - | - | 2.56 | - |
| Total | 460.55 | 10.47 | - | 471.02 | 188.00 | 23.45 | - | 211.45 | 259.57 | 272.55 |

(Amount in lakhs)

| Particulars | Gross Block | | | | Accumulated Depreciation | | | | Net Block | |
|---------------------|---------------|------------------------|------------------------|----------------|--------------------------|---------------------------|--------------------------|----------------|----------------|----------------|
| | April 1, 2021 | Additions for the year | Deletions for the year | March 31, 2022 | April 1, 2021 | Depreciation for the Year | Depreciation on deletion | March 31, 2022 | March 31, 2022 | March 31, 2021 |
| Land | 25.18 | - | - | 25.18 | - | - | - | - | 25.18 | 25.18 |
| Building | 120.10 | - | - | 120.10 | 16.00 | 2.72 | - | 18.72 | 101.38 | 104.10 |
| Plant and Machinery | 84.47 | - | - | 84.47 | 51.74 | 7.53 | - | 59.27 | 25.20 | 32.73 |
| Computer | 10.20 | 2.10 | - | 12.30 | 8.58 | 0.67 | - | 9.25 | 3.05 | 1.62 |
| Testing Equipments | 194.03 | - | - | 194.03 | 70.24 | 16.73 | - | 86.97 | 107.05 | 123.79 |
| Furniture Fittings | 0.40 | 0.37 | - | 0.77 | 0.21 | 0.06 | - | 0.27 | 0.50 | 0.19 |
| Electrical Fittings | 11.32 | 0.18 | - | 11.50 | 5.99 | 0.98 | - | 6.97 | 4.54 | 5.33 |
| Van | 12.21 | - | - | 12.21 | 5.47 | 1.08 | - | 6.56 | 5.65 | 6.74 |
| Total | 457.90 | 2.65 | - | 460.55 | 158.22 | 29.78 | - | 188.00 | 272.55 | 299.68 |

(Amount in lakhs)

| Particulars | Gross Block | | | | Accumulated Depreciation | | | | Net Block | |
|---------------------|---------------|------------------------|------------------------|----------------|--------------------------|---------------------------|--------------------------|----------------|----------------|----------------|
| | April 1, 2020 | Additions for the year | Deletions for the year | March 31, 2021 | April 1, 2020 | Depreciation for the Year | Depreciation on deletion | March 31, 2021 | March 31, 2021 | March 31, 2020 |
| Land | 25.18 | - | - | 25.18 | - | - | - | - | 25.18 | 25.18 |
| Building | 120.10 | - | - | 120.10 | 13.27 | 2.72 | - | 16.00 | 104.10 | 106.83 |
| Plant and Machinery | 84.38 | 0.09 | - | 84.47 | 42.70 | 9.04 | - | 51.74 | 32.73 | 41.67 |
| Computer | 10.15 | 0.05 | - | 10.20 | 7.99 | 0.58 | - | 8.58 | 1.62 | 2.15 |
| Testing Equipments | 194.03 | - | - | 194.03 | 53.51 | 16.73 | - | 70.24 | 123.79 | 140.52 |
| Furniture Fittings | 0.40 | - | - | 0.40 | 0.17 | 0.04 | - | 0.21 | 0.19 | 0.23 |
| Electrical Fittings | 11.32 | - | - | 11.32 | 4.84 | 1.15 | - | 5.99 | 5.33 | 6.48 |
| Van | 12.21 | - | - | 12.21 | 4.25 | 1.22 | - | 5.47 | 6.74 | 7.96 |
| Total | 457.76 | 0.15 | - | 457.90 | 126.74 | 31.49 | - | 158.22 | 299.68 | 331.02 |

Annexure-16

STATEMENT OF NON-CURRENT INVESTMENTS AS RESTATED

(Amount in Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|---|---------------------|----------------------|----------------------|----------------------|
| (Unquoted, At Cost) | | | | |
| a) Investments in Subsidiaries | | | | |
| a) Danya Electric Company- Firm's Capital | 326.55 | 231.28 | - | - |
| b) Investment in Mutual Funds | - | - | 10.00 | 10.00 |
| Total | 326.55 | 231.28 | 10.00 | 10.00 |

ANNEXURE -17

STATEMENT OF OTHER NON-CURRENT ASSETS AS RESTATED

(Amount in Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|--|---------------------|----------------------|----------------------|----------------------|
| a) Security Deposit | 3.46 | 10.10 | 26.82 | 9.27 |
| b) Bank Deposits with More than 12 Months Maturity | 127.38 | 133.81 | 124.72 | 120.41 |
| Total | 130.84 | 143.91 | 151.54 | 129.69 |

ANNEXURE -18

STATEMENT OF INVENTORIES AS RESTATED

(Amount in Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|--------------|---------------------|----------------------|----------------------|----------------------|
| Inventories | 2,148.48 | 1,549.94 | 979.96 | 831.60 |
| Total | 2,148.48 | 1,549.94 | 979.96 | 831.60 |

ANNEXURE -19

STATEMENT OF TRADE RECEIVABLES AS RESTATED

(Amount in ₹Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|--|---------------------|----------------------|----------------------|----------------------|
| Trade Receivable Considered Good – Secured | 3,461.77 | 2,446.89 | 1,787.39 | 1,575.12 |
| Total | 3,461.77 | 2,446.89 | 1,787.39 | 1,575.12 |

Trade Receivables Ageing Schedule for the Year Ended July 31, 2023

(Amount in ₹Lakhs)

| Particulars | Outstanding for following periods from due date of payment | | | | | |
|--|--|----------------|----------|----------|--------|----------|
| | <6 Months | 6 Months-1year | 1-2 Year | 2-3 Year | >3Year | Total |
| (i) Undisputed Trade Receivables - Considered Good | 2,911.97 | 147.19 | 402.61 | - | - | 3,461.77 |

Trade Receivables Ageing Schedule for the Year Ended March 31, 2023

(Amount in ₹ Lakhs)

| Particulars | Outstanding for following periods from due date of payment | | | | | |
|--|--|----------------|----------|----------|--------|----------|
| | <6 Months | 6 Months-1year | 1-2 Year | 2-3 Year | >3Year | Total |
| (i) Undisputed Trade Receivables - Considered Good | 2,072.34 | 101.73 | 272.83 | - | - | 2,446.90 |

Trade Receivables Ageing Schedule for the Year Ended March 31, 2022

(Amount in ₹ Lakhs)

| Particulars | Outstanding for following periods from due date of payment | | | | | |
|--|--|----------------|----------|----------|--------|----------|
| | <6 Months | 6 Months-1year | 1-2 Year | 2-3 Year | >3Year | Total |
| (i) Undisputed Trade Receivables - Considered Good | 1,101.51 | 56.74 | 629.13 | - | - | 1,787.39 |

Trade Receivables Ageing Schedule for the Year Ended March 31, 2021

(Amount in ₹ Lakhs)

| Particulars | Outstanding for following periods from due date of payment | | | | | |
|--|--|----------------|----------|----------|--------|----------|
| | <6 Months | 6 Months-1year | 1-2 Year | 2-3 Year | >3Year | Total |
| (i) Undisputed Trade Receivables - Considered Good | 846.33 | 397.35 | 331.43 | - | - | 1,575.12 |

ANNEXURE -20

STATEMENT OF CASH & BANK BALANCES AS RESTATED

(Amount in ₹ Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|----------------------------|---------------------|----------------------|----------------------|----------------------|
| a) Cash & Cash Equivalents | | | | |
| i) Balance with Banks | 2.51 | 5.44 | 33.43 | 263.61 |
| ii) Cash in Hand | 0.09 | 0.27 | 0.93 | 8.11 |
| Total | 2.61 | 5.71 | 34.36 | 271.71 |

ANNEXURE -21

STATEMENT OF OTHER CURRENT ASSETS AS RESTATED

(Amount in ₹ Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|-----------------------------------|---------------------|----------------------|----------------------|----------------------|
| Bill Discounting Upfront Interest | 36.41 | 30.48 | 18.28 | 82.90 |
| Prepaid Expenses | 20.00 | 0.83 | - | - |
| TDS Receivable | 8.80 | 6.92 | 4.28 | 3.38 |
| TCS Receivable | 0.71 | 0.47 | 1.05 | 1.50 |
| GST Input tax Credit | 15.45 | 5.03 | 51.18 | 111.94 |
| Advance tax | 83.75 | 28.75 | 10.00 | - |
| Other Receivables | 46.88 | 41.13 | 14.79 | 11.70 |
| Total | 212.00 | 113.63 | 99.58 | 211.43 |

ANNEXURE -22

STATEMENT OF REVENUE FROM OPERATIONS AS RESTATED

(Amount in ₹ Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|-----------------------|---------------------|----------------------|----------------------|----------------------|
| Sale of Goods – Local | 3,390.68 | 7,500.51 | 4,642.91 | 3,378.93 |
| Sale of Goods- Export | 4.28 | 12.07 | - | - |

| | | | | |
|--------------------------|-----------------|-----------------|-----------------|-----------------|
| Sale of Services- Local | 34.38 | 36.32 | 17.56 | 156.24 |
| Sale of Services- Export | - | 4.13 | - | - |
| Total | 3,429.34 | 7,553.03 | 4,660.47 | 3,535.17 |

ANNEXURE -23

STATEMENT OF OTHER INCOME AS RESTATED

(Amount in ₹ Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|----------------------------|---------------------|----------------------|----------------------|----------------------|
| Interest Income | 0.12 | 2.17 | 10.45 | 8.85 |
| Share of Profit | 95.27 | 230.28 | | |
| Other Non-operating Income | 1.22 | 4.65 | - | 2.75 |
| Total | 96.61 | 237.10 | 10.45 | 11.60 |

ANNEXURE -24

STATEMENT OF COST OF CONSUMPTION AS RESTATED

(Amount in ₹ Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|---------------------|---------------------|----------------------|----------------------|----------------------|
| Opening Stock | 1,549.94 | 979.96 | 831.59 | 637.54 |
| Add: Purchases | 3,305.69 | 6,372.43 | 4,223.00 | 3,215.40 |
| Less: Closing Stock | (2,148.48) | (1,549.94) | (979.96) | (831.59) |
| Total | 2,707.15 | 5,802.45 | 4,074.63 | 3,021.35 |

ANNEXURE -25

STATEMENT OF OTHER MANUFACTURING EXPENSES AS RESTATED

(Amount in ₹ Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|-------------------------------|---------------------|----------------------|----------------------|----------------------|
| Electricity Charges | 9.40 | 20.47 | 10.80 | 10.38 |
| Labour Charges | 19.45 | 20.91 | 32.58 | 25.27 |
| Testing & Calibration Charges | 6.49 | 39.45 | 1.33 | 36.11 |
| Security Charges | 1.47 | 4.41 | 4.41 | 5.31 |
| Crane Hire Charges | 0.19 | 0.84 | 1.59 | 0.18 |
| Repairs & Maintenance | 0.46 | 7.28 | 6.11 | 5.69 |
| Freight - Inward | 7.23 | 12.50 | 5.69 | 7.47 |
| Consumables | 0.31 | 9.07 | 1.04 | 0.76 |
| Total | 45.00 | 114.92 | 63.55 | 91.16 |

ANNEXURE -26

STATEMENT OF EMPLOYEE BENEFITS EXPENSES AS RESTATED

(Amount in ₹ Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|--|---------------------|----------------------|----------------------|----------------------|
| Salaries & Wages (Refer Note below) | 28.10 | 85.35 | 62.34 | 61.11 |
| Employer's Contribution to Welfare Funds | 0.85 | 2.27 | 1.73 | 1.54 |
| Employees Gratuity | 0.72 | 5.39 | 2.98 | 8.82 |
| Staff Welfare | 2.45 | 7.13 | 1.80 | 5.14 |
| Total | 32.11 | 100.14 | 68.86 | 76.62 |

SALARIES AND WAGES

(Amount in ₹ Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|----------------------------|---------------------|----------------------|----------------------|----------------------|
| a. Salary | 23.35 | 70.05 | 47.55 | 47.91 |
| b. Director's Remuneration | 4.75 | 15.30 | 14.79 | 13.21 |
| Total | 28.10 | 85.35 | 62.34 | 61.11 |

ANNEXURE -27

STATEMENT OF FINANCE COSTS AS RESTATED

(Amount in ₹ Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|-------------------|------------------------|-------------------------|-------------------------|-------------------------|
| Interest Expenses | 40.24 | 131.19 | 232.97 | 171.59 |
| Bank Charges | 8.20 | 31.30 | 21.67 | 36.75 |
| Total | 48.44 | 162.49 | 254.64 | 208.34 |

ANNEXURE -28

STATEMENT OF DEPRECIATION & AMORTISATION EXPENSES AS RESTATED

(Amount in ₹ Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|------------------------|------------------------|-------------------------|-------------------------|-------------------------|
| Depreciation on Assets | 7.79 | 23.45 | 29.78 | 31.49 |
| Total | 7.79 | 23.45 | 29.78 | 31.49 |

ANNEXURE -29

STATEMENT OF OTHER EXPENSES AS RESTATED

(Amount in ₹ Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|------------------------------------|------------------------|-------------------------|-------------------------|-------------------------|
| Audit Fees | 2.50 | 7.50 | 0.56 | 0.60 |
| Business Promotion Exps | 10.06 | 8.54 | 2.47 | 0.31 |
| Insurance Expenses | 9.12 | 9.23 | 4.02 | 6.95 |
| ISO/BIS License Fee | 0.18 | 2.92 | 5.01 | 0.60 |
| Forex Loss on Exports | 0.02 | 0.37 | | |
| Other Expenses | 4.85 | 41.01 | 43.71 | - |
| Office Expenses | 0.57 | 1.49 | 1.03 | 1.01 |
| Postal & Telegram | 0.19 | 0.52 | 0.40 | 0.37 |
| Printing & Stationery | 0.46 | 1.99 | 0.77 | 0.66 |
| Professional & Consultancy Charges | 11.57 | 27.64 | 12.63 | 12.06 |
| Rates & Taxes | 3.48 | 47.33 | 3.67 | 17.39 |
| Rent | 0.48 | 1.61 | 0.70 | 2.28 |
| Telephone & Internet Expenses | 0.03 | 0.40 | 0.49 | 0.44 |
| Transport Charges | 12.16 | 56.10 | 27.18 | 33.65 |
| Travelling & Conveyance | 2.99 | 8.72 | 3.43 | 1.34 |
| Vehicle Maintenance | 0.85 | 3.61 | 3.16 | 0.97 |
| Total | 59.51 | 218.96 | 109.21 | 78.62 |

PAYMENT TO AUDITORS

(Amount in ₹ Lakhs)

| Particulars | As at July 31, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|-------------------------|------------------------|-------------------------|-------------------------|-------------------------|
| a. Statutory Audit Fees | - | 7.50 | 0.56 | 1.00 |
| b. Other Matters | 2.50 | - | - | - |
| Total | 2.50 | 7.50 | 0.56 | 1.00 |

ANNEXURE -30

STATEMENT OF EARNINGS PER SHARE AS RESTATED

(Amount in ₹ Lakhs)

| Ratios | As at July 31, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|----------------------------------|------------------------|-------------------------|-------------------------|-------------------------|
| Restated PAT as per P& L Account | 492.57 | 1,082.29 | 51.81 | 26.56 |

| | | | | |
|--|---------------|---------------|--------------|--------------|
| Weighted Average Number of Equity Shares at the end of the Year / Period (Pre - Bonus Issue) | 39,58,030 | 39,58,030 | 39,58,030 | 39,58,030 |
| Weighted Average Number of Equity Shares (Post - Bonus Issue) | 1,78,11,135 | 1,78,11,135 | 1,78,11,135 | 1,78,11,135 |
| Net Worth | 2,298.26 | 1,805.69 | 723.40 | 671.61 |
| Current Assets | 5,824.86 | 4,116.17 | 2,901.29 | 2,889.86 |
| Current Liabilities | 4,600.31 | 2,664.73 | 2,221.57 | 2,388.42 |
| Earnings Per Share (Pre - Bonus Issue) | | | | |
| Basic & Diluted (Rs.) | 12.44 | 27.34 | 1.31 | 0.67 |
| Earnings Per Share (Post - Bonus Issue) | | | | |
| Basic & Diluted (Rs.) | 2.77 | 6.08 | 0.29 | 0.15 |
| Return on Net Worth (%) | 21.43% | 59.94% | 7.16% | 3.95% |
| Current Ratio | 1.27 | 1.54 | 1.31 | 1.21 |

Note: Ratios have been calculated as below

| | |
|---|---|
| Basic and Diluted Earnings Per Share (EPS) (Rs.) | $\frac{\text{Restated Profit after Tax available to equity Shareholders}}{\text{Weighted Average Number of Equity Shares at the end of the year / period}}$ |
| Return on Net Worth (%) | $\frac{\text{Restated Profit after Tax available to equity Shareholders}}{\text{Restated Net Worth of Equity Shareholders}}$ |
| Net Asset Value per equity share (Rs.) | $\frac{\text{Restated Net Worth of Equity Shareholders}}{\text{Number of Equity Shares outstanding at the end of the year / period}}$ |

ANNEXURE -31

STATEMENT OF TAX SHELTER AS RESTATED

(Amount in ₹ Lakhs)

| Ratios | As at July 31, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|---|---------------------|----------------------|----------------------|----------------------|
| Profit before tax as per books of Accounts (A) | 625.97 | 1,367.72 | 70.25 | 39.19 |
| Normal Corporate Tax Rate (B) | 25.17% | 25.17% | 25.17% | 25.17% |
| Minimum Alternative Tax Rate (C) | 0.00% | 0.00% | 0.00% | 0.00% |
| Tax Expenses at Nominal Rate (D = A * B) | 157.56 | 344.25 | 17.68 | 9.86 |
| Permanent Differences (E) | | | | |
| Employee Gratuity | 12.74 | 12.03 | 10.69 | 8.82 |
| Total Permanent Differences (E) | 12.74 | 12.03 | 10.69 | 8.82 |
| Timing Differences (F) | | | | |
| Depreciation as per Books of Accounts | 900.55 | 257.01 | 272.55 | 299.68 |
| Depreciation as per Income tax | 868.46 | 228.10 | 249.42 | 278.72 |
| Total Timing Differences (F) | 32.09 | 28.91 | 23.13 | 20.96 |
| Deduction under Chapter VI A (G) | | | | |
| Deduction under section 80JAA for New Employment | - | - | - | - |

| | | | | |
|--|---------------|---------------|--------------|--------------|
| Net Adjustments H = (E + F - G) | 44.83 | 40.94 | 33.82 | 29.78 |
| Brought Forward losses set off (I) | | | | |
| Net adjustment after Loss (J = H - I) | 44.83 | 40.94 | 33.82 | 29.78 |
| Tax Impact on Adjustment (K = J * B) | 11.28 | 10.30 | 8.51 | 7.50 |
| Tax Expenses (Normal Tax Liability) (L = D - K) | 146.27 | 333.92 | 9.17 | 2.37 |

ANNEXURE -32

STATEMENT OF RELATED PARTIES TRANSACTION AS RESTATED

| S.No | Name of the Party | Nature of RP | Relationship |
|------|------------------------|-----------------------|---|
| 1 | Danya Electric Company | Partnership Firm | Partnership Firm where significant control exists exist |
| 2 | Jai Bharat Exchangers | Partnership Firm | Firm in which directors of the company are partners |
| 3 | Vee Rajmohan | Key managerial Person | Managing Director |
| 4 | Mr. K V Pradeep Kumar | Key managerial Person | Whole Time Director |
| 5 | Mrs. Savita Pradeep | Key managerial Person | Director |

TRANSACTION WITH RELATED PARTIES DURING THE YEAR

(Amount in ₹ Lakhs)

| Particulars | Period 31- July-2023 | Year Ended 31-Mar-2023 | Year Ended 31-Mar-2022 | Year Ended 31-Mar-2021 |
|--------------------------------|-------------------------|---------------------------|---------------------------|---------------------------|
| Purchases | - | | | |
| Danya Electric Company | 493.25 | 399.01 | 81.62 | 46.46 |
| Jai Bharat Exchangers | 45.12 | 243.22 | 235.55 | 127.50 |
| Sales | | | | |
| Danya Electric Company | 357.56 | 339.93 | 163.27 | 26.92 |
| Jai Bharat Exchangers | 0.47 | - | 8.86 | - |
| Outstanding as on 31st | | | | |
| Payable to | | | | |
| Danya Electric Company | 202.34 | 41.83 | 40.96 | 27.64 |
| Jai Bharat Exchangers | 8.57 | 29.30 | 130.70 | 63.45 |
| Key Managerial Personal | | | | |
| Remuneration Paid to* | | | | |
| Vee Rajmohan | 3.40 | 10.20 | 9.99 | 8.82 |
| Mrs. Savita Pradeep | 1.80 | 5.10 | 4.80 | 4.39 |

ANNEXURE -33

STATEMENT OF PROVISION FOR GRATUITY AS RESTATED

Gratuity - The Present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method. This method considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

Interest cost: It is the increase in the Plan liability over the accounting period resulting from the operation of the actuarial assumption of the interest rate.

Current Service Cost: is the discounted present value of the benefits from the Plan's benefit formula attributable to the services rendered by employees during the accounting period.

Actuarial Gain or Loss: occurs when the experience of the Plan differs from that anticipated from the actuarial assumptions. It could also occur due to changes made in the actuarial assumptions.

(i) Reconciliation of Opening and Closing Balance of Gratuity Obligations:*(Amount in ₹ Lakhs)*

| Particulars | As at July 31, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|---|---------------------|----------------------|----------------------|----------------------|
| Net Liability as at the Beginning of the Period | 12.03 | 10.69 | 8.82 | - |
| Net Expenses in P/L A/c | 0.76 | 2.02 | 1.68 | 8.82 |
| Benefits Paid | (0.05) | (0.68) | 0.19 | - |
| Net Liability as at the End of the Period | 12.74 | 12.03 | 10.69 | 8.82 |
| Present Value of Gratuity Obligation (Closing) | 12.74 | 12.03 | 10.69 | 8.82 |

(2) Expenses recognised in Statement of Profit and Loss during the year:*(Amount in ₹ Lakhs)*

| Particulars | As at July 31, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|--------------------------------------|---------------------|----------------------|----------------------|----------------------|
| Interest Cost | 0.30 | 0.76 | 0.57 | - |
| Current Service Cost | 0.46 | 1.26 | 1.11 | 8.82 |
| Past Service Cost | - | - | - | - |
| Expected Return on Plan Assets | - | - | - | - |
| Curtailement Cost (Credit) | - | - | - | - |
| Settlement Cost (Credit) | - | - | - | - |
| Net Actuarial (gain) / loss | (0.05) | (0.68) | 0.19 | - |
| Net Expenses to be recognized in P&L | 0.72 | 1.34 | 1.87 | 8.82 |
| Total | 0.72 | 1.34 | 1.87 | 8.82 |

(3) Changes in Benefit Obligations:*(Amount in ₹ Lakhs)*

| Particulars | As at July 31, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|------------------------------------|---------------------|----------------------|----------------------|----------------------|
| Opening Defined benefit Obligation | 12.03 | 10.69 | 8.82 | - |
| Current Service Cost | 0.46 | 1.26 | 1.11 | 0.09 |
| Interest Cost for the Year | 0.30 | 0.76 | 0.57 | - |
| Actuarial losses (gains) | - | - | - | - |
| Benefits Paid | (0.05) | (0.68) | 0.19 | - |
| Closing Defined Benefit Obligation | 12.74 | 12.03 | 10.69 | 0.09 |
| Total | 12.74 | 12.03 | 10.69 | 0.09 |

(iv) Actuarial assumptions:*(Amount in ₹ Lakhs)*

| Particulars | As at July 31, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|---|
| Rate of Discounting | 7.50% | 7.50% | 7.11% | 6.46% |
| Salary Escalation | 5.00% | 5.00% | 5.00% | 5.00% |
| Attrition Rate | 10.00% | 10.00% | 10.00% | 10.00% |
| Mortality rate during employment Indian | Indian Assured Lives Mortality (2012-14) Ultimate | Indian Assured Lives Mortality (2012-14) Ultimate | Indian Assured Lives Mortality (2012-14) Ultimate | Indian Assured Lives Mortality (2012-14) Ultimate |

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

STATEMENT OF CONTINGENT LIABILITY AS RESTATED**A. Contingent Liabilities***(Amount in ₹ Lakhs)*

| Particulars | As at July 31, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|--|---------------------|----------------------|----------------------|----------------------|
| Claims against the Company not Acknowledged as Debt | - | - | - | - |
| Guarantees | - | - | - | - |
| Other money for which the Company is Contingently liable | - | - | - | - |
| Total | - | - | - | - |

B. Commitments*(Amount in ₹ Lakhs)*

| Particulars | As at July 31, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|--|---------------------|----------------------|----------------------|----------------------|
| Estimated amount of contracts remaining to be executed on capital account and not provided for | - | - | - | - |
| Uncalled liability on shares and other investments partly paid | - | - | - | - |
| Other commitments | - | - | - | - |
| Total | - | - | - | - |

ANNEXURE -35

ADDITIONAL DISCLOSURES WITH RESPECT TO AMENDMENTS TO SCHEDULE III AS RESTATED

(i) The Company have no immovable property whose title deeds are not held in the name of the company.

(ii) The Company has not revalued its Property, Plant and Equipment during the reporting years.

(iii) Loans and Advances granted to Promoters, Directors, KMP and Related Parties:

There are no Loans and Advances in the nature of loans that are granted to promoters, directors, KMP's and the related parties either severally or jointly with any other person, that are repayable on demand.

(iv) There are no proceedings initiated or pending against the Parent for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).

(v) The Company has made borrowing from the banks or financial institutions on the basis of security of current assets, and the statements of current assets as required to be filed by the Company with any the banks or financial institutions. Are done periodically.

(vi) The Company is not declared as wilful defaulter by any bank or financial institution or other lender.

(vii) The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013.

(viii) The Company do not have any charge to be registered with Registrar of Companies beyond the statutory period.

(xi) The Company has no subsidiaries with one layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(x) No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

(xi) Utilisation of Borrowed funds and share premium:

A. The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

B. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(xii) Ratios

(Amount in ₹ Lakhs)

| S. no. | RATIOS | Current year Numerator (Rs) | Current year Denominator (Rs) | As at July 31, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|--------|---|-----------------------------|-------------------------------|---------------------|----------------------|----------------------|----------------------|
| a. | Current Ratio Current Assets / Current liabilities" | 5,824.86 | 4,600.31 | 1.27 | 1.54 | 1.31 | 1.21 |
| b. | Debt-Equity Ratio Total Outside Liabilities / Total Shareholder's Equity" | 1,311.98 | 2,298.26 | 0.57 | 0.45 | 1.34 | 3.05 |
| c. | Debt Service Coverage Ratio EBITDA / (Interest + Principal)" | 585.58 | 79.76 | 7.34 | 5.56 | 1.15 | 1.55 |
| d. | Return on Equity Ratio (Net Profit After Taxes - Preference Dividend if any) / Average Shareholders fund" | 492.57 | 2,298.26 | 21.43% | 59.88% | 7.16% | 3.95% |
| e. | Trade Receivables Turnover Ratio Credit Sales / Average Trade Receivables" | 3,429.34 | 2,954.33 | 1.16 | 3.57 | 2.77 | 2.43 |
| f. | Net Capital Turnover Ratio Cost of Goods Sold (or) Sales / Net Assets" | 3,429.34 | 2,298.26 | 1.49 | 4.18 | 6.44 | 5.26 |
| g. | Net Profit Ratio Net Profit / Total Sales" | 492.57 | 3,429.34 | 14.36% | 14.33% | 1.11% | 0.75% |
| h. | Return on Capital Employed (EBIT / Capital Employed) * 100" | 666.21 | 2,298.26 | 28.99% | 83.01% | 39.37% | 29.50% |

Variance Analysis

| S. no. | RATIOS | As at March 31st ,2023 | | As at March 31st ,2023 | |
|--------|--|------------------------|----------------------------|------------------------|----------------------------|
| | | Variance | Reason for variance | Variance | Reason for variance |
| a. | Current Ratio Current Assets / Current liabilities | 17.92% | Increase in current Assets | 7.94% | Increase in current Assets |
| b. | Debt-Equity Ratio Total Outside Liabilities / Total Shareholder's Equity | (66.46%) | Decrease in Debt | (56.08%) | Decrease in Debt |
| c. | Debt Service Coverage Ratio EBITDA / (Interest + Principal) | 383.26% | Decrease in Debt | (25.54%) | Decrease in Debt |
| d. | Return on Equity Ratio (Net Profit After Taxes - Preference Dividend if any) / Average Shareholders fund | 736.11% | Increase in profit | 81.12% | Increase in profit |
| e. | Trade Receivables Turnover Ratio Credit Sales / Average Trade Receivables | 28.79% | Increase in Turnover | 13.89% | Increase in Turnover |
| f. | Net Capital Turnover Ratio Cost of Goods Sold (or) Sales / Net Assets | (35.12%) | Increase in Net Assets | 22.39% | Increase in Net Assets |
| g. | Net Profit Ratio Net Profit / Total Sales | 1189.04% | Increase in profit | 47.98% | Increase in profit |
| h. | Return on Capital Employed (EBIT / Capital Employed) * 100 | 110.86% | Increase in profit | 33.43% | Increase in profit |

ANNEXURE -36

STATEMENT OF CAPITALISATION STATEMENT AS RESTATED

(Amount in ₹ Lakhs)

| Particulars | Pre-issue | Post-issue |
|--|-----------|------------|
| Borrowings | | |
| Short Term Debt (A) | 1,042.80 | |
| Long Term Debt (B) | 269.17 | |
| Total Debts (C = A + B) | 1,311.98 | |
| Shareholders' Funds | | |
| Equity Share Capital (D) | 395.80 | |
| Reserve and Surplus - as restated (E) | 1,902.46 | |
| Total Shareholders' Funds (F = D + E) | 2,298.26 | |
| Long Term Debt / Shareholders' Funds (G = B/F) (in Times) | 0.12 | |
| Total Debt / Shareholders' Funds (H = C/F) (in Times) | 0.57 | |

Notes:

1. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31.07.2023.
2. Long term debts represent debts other than short term debts as defined above.
3. Short term Debts represents the debts which are expected to be paid / payable within 12 months and also includes instalment of term loans repayable within 12 months.

OTHER FINANCIAL INFORMATION

For Details on other financial information please refer to “Ratios” on page under the chapter titled Financial Statements as Restated beginning on page 210 of this Prospectus.

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MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

The following discussion is intended to convey management’s perspective on our financial condition and results of operations for the period ended July 31, 2023 and financial year ended March 31, 2023 and financial year ended March 31, 2022, and for the financial year ended March 31, 2021. One should read the following discussion and analysis of our financial condition and results of operations in conjunction with our section titled “Financial Statements” and the chapter titled “Financial Information” on page 182 of the Prospectus. This discussion contains forward-looking statements and reflects our current views with respect to future events and our financial performance and involves numerous risks and uncertainties, including, but not limited to, those described in the section entitled “Risk Factors” on page 24 of this Prospectus. Actual results could differ materially from those contained in any forward-looking statements and for further details regarding forward-looking statements, kindly refer the chapter titled “Forward-Looking Statements” on page 16 of this Prospectus. Unless otherwise stated, the financial information of our Company used in this section has been derived from the Restated Financial Information. Our financial year ends on March 31 of each year. Accordingly, unless otherwise stated, all references to a particular financial year are to the 12-month period ended March 31 of that year.

In this section, unless the context otherwise requires, any reference to “we”, “us” or “our” refers to Supreme Power and Infrastructure Limited, our Company. Unless otherwise indicated, financial information included herein are based on our Restated Financial Statements for period ended July 31, 2023 and Financial Years 2023, 2022 & 2021 included in this Prospectus beginning on page 182 of this Prospectus.

BUSINESS OVERVIEW

Our Company is currently engaged in the areas of manufacturing, up-gradation, and refurbishment of transformers ranging from Power Transformer, Generator Transformer, Windmill Transformer, Distribution Transformer, Isolation Transformer, Solar Transformer, Energy Efficient Transformer, Converter and Rectifier Transformer.

INDUSTRY WE CATER

- Power Transformers are used across various sectors and industries to facilitate the efficient transmission and distribution of electrical power.
- Generator transformers are specialized transformers used primarily in the power generation sector, particularly in power plants and large-scale industrial facilities.
- Windmill transformers, often referred to as wind turbine transformers or wind farm transformers, are specialized transformers used in the wind energy sector. These transformers serve important functions in the generation and distribution of electricity from wind turbines.
- Distribution transformers are essential components in the electrical power sector, residential sector, commercial sector,
- Solar transformers, play a crucial role in the solar energy sector by transmission of power.

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR

As per mutual discussion between the Board of the Company and BRLM, in the opinion of the Board of the Company there have not arisen any circumstances since the date of the last financial statements as disclosed in the

Prospectus and which materially and adversely affect or is likely to affect within the next twelve months except as follows:

- The Board of Directors of our Company has approved and passed resolution on September 04, 2023 to authorize the Board of Directors to raise the funds by way of Initial Public Offering.
- The Shareholders of our company appointed Mr. Vee Rajmohan as Managing Director, in the Extra Ordinary General Meeting held on August 31, 2023.
- The Shareholders of our company appointed Mr. K V Pradeep Kumar as Whole Time Director, in the Extra Ordinary General Meeting held on August 31, 2023.
- The shareholders of our Company appointed Mr. Perumal Ravikumar and Ms. Saimathy Soupramanien as Independent Directors in the Extra-Ordinary General Meeting held on August 31, 2023.
- The shareholders of our Company appointed Mr. Devaraja Iyer Krishna Iyer as Non-Executive and Non-Independent Director in the Extra-Ordinary General Meeting held on August 31, 2023.
- The board of directors in its meeting held on September 30, 2023 appointed Ms. Priyanka Bansal as Company Secretary & Compliance officer of the Company w.e.f. October 01, 2023
- The board of directors in its meeting held on September 04, 2023 appointed Mr. Thulasiraman Boologa Nathan as Chief Financial Officer of the Company.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “*Risk Factor*” beginning on page 24 of this Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Changes, if any, in the regulations / regulatory framework / economic policies in India and / or in foreign countries, which affect national & international finance.
- Company’s results of operations and financial performance;
- Performance of Company’s competitors;
- Significant developments in India’s economic and fiscal policies;
- Failure to adapt to the changing needs of industry and in particular government policies and regulations may adversely affect our business and financial condition;
- Volatility in the Indian and global capital market.

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DISCUSSION ON STANDALONE RESULT OF OPERATION

₹ Lakhs

| PARTICULARS | For the period ended on | | | | | | | | |
|-------------|---|-------------------|----------------|-------------------|----------------|-------------------|----------------|-------------------|----------------|
| | 31-07-2023 | % of total income | 31-03-2023 | % of total income | 31-03-2022 | % of total income | 31-03-2021 | % of total income | |
| 1 | Revenue From Operations | 3,429.34 | 97.26% | 7,553.03 | 96.96% | 4,660.47 | 99.78% | 3,535.17 | 99.67% |
| | Other Income | 96.61 | 2.74% | 237.10 | 3.04% | 10.45 | 0.22% | 11.60 | 0.33% |
| | Total Income | 3,525.95 | 100.00% | 7,790.13 | 100.00% | 4,670.92 | 100.00% | 3,546.77 | 100.00% |
| 2 | Expenditure | | | | | | | | |
| (a) | Cost of Consumption | 2,707.15 | 76.78% | 5,802.45 | 74.48% | 4,074.63 | 87.23% | 3,021.35 | 85.19% |
| (b) | Other Manufacturing Expenses | 45.00 | 1.28% | 114.92 | 1.48% | 63.55 | 1.36% | 91.16 | 2.57% |
| (c) | Employee Benefits Expenses | 32.11 | 0.91% | 100.14 | 1.29% | 68.86 | 1.47% | 76.62 | 2.16% |
| (d) | Finance Costs | 48.44 | 1.37% | 162.49 | 2.09% | 254.64 | 5.45% | 208.34 | 5.87% |
| (e) | Depreciation & Amortisation Expenses | 7.79 | 0.22% | 23.45 | 0.30% | 29.78 | 0.64% | 31.49 | 0.89% |
| (f) | Other Expenses | 59.51 | 1.69% | 218.96 | 2.81% | 109.21 | 2.34% | 78.62 | 2.22% |
| | Total Expenses | 2,899.99 | 82.25% | 6,422.40 | 82.44% | 4,600.67 | 98.50% | 3,507.58 | 98.90% |
| 3 | Profit Before Exceptional and Extraordinary Items and Tax (I-II) | 625.96 | 17.75% | 1,367.72 | 17.56% | 70.25 | 1.50% | 39.19 | 1.10% |
| 4 | Exceptional and Extraordinary Items | - | - | - | - | - | - | - | - |
| 5 | Profit/(Loss) Before Tax (III-IV) | 625.96 | 17.75% | 1,367.72 | 17.56% | 70.25 | 1.50% | 39.19 | 1.10% |
| 6 | Tax Expense: | | | | | | | | |
| | Current Tax | 132.78 | 3.77% | 284.28 | 3.65% | 18.37 | 0.39% | 11.54 | 0.33% |
| | Deferred Tax | 0.62 | 0.02% | 1.14 | 0.01% | 0.08 | 0.00% | 1.09 | 0.03% |
| 7 | Profit/(Loss) for the Year (V-VI) | 492.57 | 13.97% | 1,082.30 | 13.89% | 51.81 | 1.11% | 26.56 | 0.75% |
| VII | Earnings per Equity Share of Rs.10 Each* | | | | | | | | |
| | -Basic | 2.77 | | 6.08 | | 0.29 | | 0.15 | |
| | -Diluted | 2.77 | | 6.08 | | 0.29 | | 0.15 | |

*July figures are not Annualized

DISCUSSION ON CONSOLIDATED RESULT OF OPERATION

₹ Lakhs

| PARTICULARS | For the period ended on | | | | |
|-------------|------------------------------|-------------------|-------------|-------------------|-------------|
| | 31-07-2023 | % of total income | 31-03-2023 | % of total income | |
| 1 | Income | | | | |
| | Revenue From Operations | 3,926.27 | 99.97% | 9,975.94 | 99.85% |
| | Other Income | 1.34 | 0.03% | 14.91 | 0.15% |
| | Total Income | 3,927.61 | 100% | 9,990.85 | 100% |
| 2 | Expenditure | | | | |
| (a) | Cost of Consumption | 2,947.59 | 75.05% | 7,605.31 | 76.12% |
| (b) | Other Manufacturing Expenses | 54.35 | 1.38% | 134.55 | 1.35% |
| (c) | Employee Benefits Expenses | 41.26 | 1.05% | 136.17 | 1.36% |

| | | | | | |
|-----------|---|-----------------|---------------|-----------------|---------------|
| (d) | Finance Costs | 82.81 | 2.11% | 267.39 | 2.68% |
| (e) | Depreciation & Amortisation Expenses | 10.46 | 0.27% | 31.47 | 0.31% |
| (f) | Other Expenses | 97.32 | 2.48% | 284.26 | 2.85% |
| | Total Expenses | 3,233.79 | 82.33% | 8,459.15 | 84.67% |
| 3 | Profit Before Exceptional and Extraordinary Items and Tax (I-II) | 693.82 | 17.67% | 1,531.70 | 15.33% |
| 4 | Exceptional and Extraordinary Items | - | - | - | - |
| 5 | Profit/(Loss) Before Tax (III-IV) | 693.82 | 17.67% | 1,531.70 | 15.33% |
| 6 | Tax Expense: | | | | |
| | Current Tax | 189.54 | 4.83% | 421.49 | 4.22% |
| | Deferred Tax | 1.12 | 0.03% | 2.34 | 0.02% |
| 7 | Profit/(Loss) for the Year (V-VI) | 503.16 | 12.81% | 1,107.88 | 11.09% |
| 8 | Less: Share of minority interest | 10.59 | 0.27% | 25.59 | 0.65% |
| 9 | Balance carried to Reserved & Surplus (VII-VIII) | 492.57 | 12.54% | 1,082.29 | 27.56% |
| 10 | Earnings per Equity Share of Rs.10 Each* | | | | |
| | -Basic | 2.77 | - | 6.08 | - |
| | -Diluted | 2.77 | - | 6.08 | - |

Items for Standalone and Consolidated Restated Financial Statements

Our Significant Accounting Policies

For Significant accounting policies please refer “ Significant Accounting Policies”, under Chapter titled Restated Financial Statements beginning on page 182 respectively of the Prospectus.

Overview of Revenue & Expenditure

The following discussion on results of operations should be read in conjunction with the Restated Standalone Financial Statements for the period ending on July 31, 2023, Financial Year 2023, 2022 & 2021 and the Restated Consolidated Financial Statements for the period ending on July 31, 2023 and Financial Year 2022-23. Our revenue and expenses are reported in the following manner:

Revenues

- **Revenue of operations**

Our Company’s revenue is primarily generated from Sale of transformers locally. Further, we have generated revenue by providing services i.e., refurbishment, maintenance of transformers.

- **Other Income**

Other Income includes interest income, share of profit and other Non-operating Income

Expenditure

- **Cost of consumption**

Cost of consumption being opening stock with added purchase and less the closing stock of the Company.

- **Other manufacturing expenses**

Other manufacturing expenses includes Electricity Charges, Labour Charges, Testing & Calibration Charges, Security Charges, Crane Hire Charges, Repairs & Maintenance, Freight (Inward), Consumables.

- **Employment Benefit Expenses**

Our employee benefits expense primarily comprises of Salaries & Director's Remuneration, Staff Welfare, Employer's contribution to welfare funds and Employees Gratuity.

- **Finance Cost**

Finance Cost Includes interest on Loan and Bank Charges.

- **Depreciation and Amortization Expenses**

Depreciation and Amortization Expenses includes depreciation on assets.

- **Other Expenses**

Other Expenses includes Transport Charges, Business Promotion Expenses, Professional and Consultancy Charges, Insurance Expenses, Rent & Taxes and Other Miscellaneous Expenses.

STUB PERIOD ENDED JULY 31, 2023 (BASED ON RESTATED CONSOLIDATED FINANCIAL STATEMENTS)

Revenues

- **Total Income**

Total Income on consolidated basis for the period ended July 31, 2023, stood at Rs. 3,927.61 Lakhs.

- **Revenue from operations**

Revenue from operation on consolidated basis for the period ended July 31, 2023, stood at Rs. 3,926.27 Lakhs which is 99.97% of the Total Income.

- **Other Income**

Other Income on consolidated basis for the period ended July 31, 2023, stood at Rs. 1.34 Lakhs which is 0.03% of the Total Income.

Expenditure

- **Total Expenses**

Total Expenses on consolidated basis for the period ended July 31, 2023, stood at Rs. 3,233.79 Lakhs which is 82.33% of the Total Income.

- **Cost of Consumption**

Cost of Consumption on consolidated basis for the period ended July 31, 2023, stood at Rs. 2,947.59 Lakhs which is 75.05% of the Total Income.

- **Other Manufacturing Expenses**

Other Manufacturing Expenses on consolidated basis for the period ended July 31, 2023, stood at Rs. 54.35 Lakhs which is 1.38% of the Total Income.

- **Employment Benefit Expenses**

Employment Benefit Expenses on consolidated basis for the period ended July 31, 2023, stood at Rs. 41.26 Lakhs which is 1.05% of the Total Income.

- **Finance Cost**

Finance Cost on consolidated basis for the period ended July 31, 2023, stood at Rs. 82.81 Lakhs which is 2.11% of the Total Income.

- **Depreciation and Amortization Expenses**

Depreciation and Amortization Expenses on consolidated basis for the period ended July 31, 2023, stood at Rs. 10.46 Lakhs which is 0.27% of the Total Income.

- **Other Expenses**

Other Expenses on consolidated basis for the period ended July 31, 2023, stood at Rs. 97.32 Lakhs which is 2.48% of the Total Income.

- **Restated Profit before Tax**

Restated profit before tax on consolidated basis for the period ended July 31, 2023, stood at Rs. 693.82 Lakhs which is 17.67% of the Total Income.

- **Tax Expense**

Tax Expense on consolidated basis for the period ended July 31, 2023, stood at Rs. 190.66 Lakhs out of which Current Tax being 189.54 Lakhs and Deferred Tax being 1.12 Lakhs which is 4.83% and 0.03% respectively of the Total Income.

- **Restated Profit after Tax**

Restated profit after tax on consolidated basis for the period ended July 31, 2023, stood at Rs. 503.16 Lakhs which is 12.81% of the Total Income.

PERIOD ENDED MARCH 31, 2023 (BASED ON RESTATED CONSOLIDATED FINANCIAL STATEMENTS)

Revenues

- **Total Income**

Total Income on consolidated basis for the period ended March 31, 2023, stood at Rs. 9,990.85 Lakhs.

- **Revenue of operations**

Revenue of Operations on consolidated basis for the period ended March 31, 2023, stood at Rs. 9,975.94 Lakhs which is 99.85% of the Total Income.

- **Other Income**

Other Income on consolidated basis for the period ended March 31, 2023, stood at Rs. 14.91 Lakhs which is 0.15% of the Total Income.

Expenditure

- **Total Expenses**

Total Expenses on consolidated basis for the period ended March 31, 2023, stood at Rs. 8459.15 Lakhs which is 84.67% of the Total Income.

- **Cost of Consumption**

Cost of consumption on consolidated basis for the period ended March 31, 2023, stood at Rs. 7,605.31 Lakhs which is 76.02% of the Total Income.

- **Other Manufacturing Expenses**

Other Manufacturing Expenses on consolidated basis for the period ended March 31, 2023, stood at Rs. 134.55 Lakhs which is 1.35% of the Total Income.

- **Employment Benefit Expenses**

Employment Benefit Expenses on consolidated basis for the period ended March 31, 2023, stood at Rs. 136.17 Lakhs which is 1.35% of the Total Income.

- **Finance Cost**

Finance Cost on consolidated basis for the period ended March 31, 2023, stood at Rs. 267.39 Lakhs which is 2.68% of the Total Income.

- **Depreciation and Amortization Expenses**

Depreciation and Amortization Expenses on consolidated basis for the period ended March 31, 2023, stood at Rs. 31.47 Lakhs which is 0.31% of the Total Income.

- **Other Expenses**

Other expenses on consolidated basis for the period ended March 31, 2023, stood at Rs. 284.26 Lakhs which is 2.85% of the Total Income.

- **Restated Profit before Tax**

Restated Profit Before Tax on consolidated basis for the period ended March 31, 2023, stood at Rs. 1,531.70 Lakhs which is 15.33% of the Total Income.

- **Tax Expense**

Tax expenses on consolidated basis for the period ended March 31, 2023, stood at Rs. 423.83 Lakhs which is 4.24% of the Total Income.

- **Restated Profit after Tax**

Tax expenses on consolidated basis for the period ended March 31, 2023, stood at Rs. 1107.88 Lakhs which is 11.09% of the Total Income.

STUB PERIOD ENDED JULY 31, 2023 (BASED ON RESTATED STANDALONE FINANCIAL STATEMENTS)

Revenues

- **Total Income**

Total Income for the period ended July 31, 2023, stood at Rs. 3,525.95 Lakhs.

- **Revenue from operations**

Revenue from operation for the period ended July 31, 2023, stood at Rs. 3,429.24 Lakhs which is 97.26% of the Total Income.

- **Other Income**

Other Income for the period ended July 31, 2023, stood at Rs. 96.61 Lakhs which is 2.74 % of the Total Income.

Expenditure

- **Total Expenses**

Total Expenses for the period ended July 31, 2023, stood at Rs. 2,899.99 Lakhs which is 82.25% of the Total Income.

- **Cost of Consumption**

Cost of Consumption for the period ended July 31, 2023, stood at Rs. 2,707.15 Lakhs which is 76.78% of the Total Income.

- **Other Manufacturing Expenses**

Other Manufacturing Expenses for the period ended July 31, 2023, stood at Rs. 45.00 Lakhs which is 1.28% of the Total Income.

- **Employment Benefit Expenses**

Employment Benefit Expenses for the period ended July 31, 2023, stood at Rs. 32.11 Lakhs which is 0.91% of the Total Income.

- **Finance Cost**

Finance Cost for the period ended July 31, 2023, stood at Rs. 48.44 Lakhs which is 1.37% of the Total Income.

- **Depreciation and Amortization Expenses**

Depreciation and Amortization Expenses for the period ended July 31, 2023, stood at Rs. 7.79 Lakhs which is 0.22% of the Total Income.

- **Other Expenses**

Other Expenses for the period ended July 31, 2023, stood at Rs. 59.51 Lakhs which is 1.69% of the Total Income.

- **Restated Profit before Tax**

Restated profit before tax for the period ended July 31, 2023, stood at Rs. 625.96 Lakhs which is 17.75% of the Total Income.

- **Tax Expense**

Tax Expense for the period ended July 31, 2023, stood at Rs. 133.40 Lakhs out of which Current Tax being 132.78 Lakhs and Deferred Tax being 0.62 Lakhs which is 3.77% and 0.02% respectively of the Total Income.

- **Restated Profit after Tax**

Restated profit after tax for the period ended July 31, 2023, stood at Rs. 492.57 Lakhs which is 13.97% of the Total Income.

FISCAL ENDED MARCH 31, 2023 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2022 (BASED ON RESTATED FINANCIAL STATEMENTS) FISCAL YEAR MARCH 31, 2023 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2022 (BASED ON RESTATED FINANCIAL STATEMENTS)

Revenues

- **Total Income**

Total Income for the Financial Year 2022-23, stood at Rs. 7,553.03 Lakhs whereas in Financial Year 2021-22 it stood at Rs. 4,670.92 Lakhs representing an increase of 66.78%.

- **Revenue from operations**

Revenue from operation for the Financial Year 2022-23, stood at Rs. 7,553.03 Lakhs whereas in Financial Year 2021-22 it stood at Rs. 4,660.47 Lakhs representing an increase of 62.07%.

Reason: Revenue from operation increased primarily because of increase in sales of goods (locally) as compared to previous financial year. Revenue breakup of the same is as follows:

| Particulars | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|--------------------------|-----------------------------------|-----------------------------------|
| Sale of Goods – Local | 7,500.51 | 4,642.91 |
| Sale of Goods- Export | 12.07 | - |
| Sale of Services- Local | 36.32 | 17.56 |
| Sale of Services- Export | 4.13 | - |
| Total | 7,553.03 | 4,660.47 |

- **Other Income**

Other Income for the Financial Year 2022-23, stood at Rs. 237.10 Lakhs whereas in Financial Year 2021-22 it stood at Rs. 10.45 Lakhs representing an increase of 2,169.17%. This was increased because of share of profit which was NIL in F.Y. 2021-22 and 230.28 lakhs in F.Y. 2022-23

Expenditure

- **Total Expenses**

Total Expenses for the Period ended March 31, 2023, stood at ₹ 6,422.40 lakhs whereas in FY ended March 31, 2022 it stood at ₹ 4,600.67 lakhs representing an increase of 39.60%.

Reason: The increase is on account of increase in cost of consumption, other manufacturing expenses, employee benefits expenses and other expenses which are increased 42.40%, 80.82%, 45.43% and 100.49% respectively as compared to previous Financial Year.

- **Cost of Consumption**

Cost of Consumption for the Period ended March 31, 2023, stood at ₹ 5,802.45 lakhs whereas in FY ended March 31, 2022 it stood at ₹ 4,074.63 lakhs representing an increase of 42.40%

Reason: As the company is expanding its business and the company is in growth stage where cost of consumption increased primarily because of purchases of materials for manufacturing its transformers.

- **Other Manufacturing Expenses**

Other Manufacturing Expenses on basis for the period ended March 31, 2023, stood at Rs. 114.92 Lakhs whereas in FY ended March 31, 2022 it stood at Rs. 63.55 lakhs representing an increase of 80.82%.

- **Employment Benefit Expenses**

Employee benefit expenses for the Period ended March 31, 2023, stood at ₹ 100.14 lakhs whereas in FY ended March 31, 2022 it stood at ₹ 68.86 lakhs representing an increase of 45.43%.

Reason: There was an increase in 'Employee benefit expenses' because of increase in Staff Salaries and Director's Remuneration.

- **Finance Cost**

Finance Cost for the Period ended March 31, 2023, stood at ₹ 162.49 lakhs whereas in FY ended March 31, 2022

it stood at ₹ 254.64 lakhs representing an decrease of 36.19%.

Reason: There is a decrease of finance cost of the Company of approximately 36.19%. The company has taken the borrowings from banks which was paid during the F.Y. 2022-23 which resulted in decrease in interest amount to be paid to banks.

- **Depreciation and Amortization Expenses**

The Depreciation and Amortization Expenses for the Period ended March 31, 2023, stood at ₹ 23.45 lakhs whereas in Financial Year 2021-22 it stood at ₹ 29.78 lakhs representing a decreased of 21.25%.

Reason: Depreciation and Amortization Expenses has been decreased because of decrease in net block due to charge of depreciation. No significant purchase has been made in property, plant & investment.

- **Other Expenses**

The Other Expenses for the Period ended March 31, 2023, stood at ₹ 218.96 lakhs whereas for FY ended March 31, 2022 it stood at ₹ 109.21 representing an increase of 100.49%.

Reason: The major increase in other expenses is from audit fees, business promotion expenses, insurance expenses, professional & consultancy charges, rated & taxes and transport charges which stood at 7.50 lakhs, 8.54 lakhs, 9.23 lakhs, 27.64 lakhs, 47.33 lakhs and 56.10 lakhs in F.Y. 2022-23.

- **Restated Profit before Tax**

In line with above discussions, The restated profit before tax increased significantly increased by 1,297.47 lakhs from ₹ 70.25 lakhs in FY ended March 31, 2022 to ₹ 1,367.72 lakhs for the FY ended March 31, 2023.

- **Tax Expense**

Our total tax expense also accordingly increased by ₹ 266.98 lakhs from ₹ 18.44 lakhs in FY ended March 31, 2022 to ₹ 285.42 lakhs in FY ended March 31, 2023

- **Restated Profit after Tax**

For the various reasons stated above and adjustments of tax expense, Our Restated profit after tax increased significantly by ₹ 1,030.49 lakhs from ₹ 51.81 lakhs in FY ended March 31, 2022 to ₹ 1,082.30 lakhs for the FY ended March 31, 2023.

FISCAL YEAR ENDED MARCH 31, 2022 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2021 (BASED ON RESTATED STANDALONE FINANCIAL STATEMENTS)

Revenues

- **Total Income**

Total Income for the Financial Year 2021-22, stood at Rs. 4,670.92 Lakhs whereas in Financial Year 2020-21 it stood at Rs. 3,546.77 Lakhs representing an increase of 31.70%.

- **Revenue from operations**

Revenue from operation for the Financial Year 2021-22, stood at Rs. 4,660.47 Lakhs whereas in Financial Year 2020-21 it stood at Rs. 3,535.17 Lakhs representing an increase of 31.83%.

Reason: Revenue from operation increased primarily because of increase in sales of goods (locally) as compared to previous financial year. Revenue breakup of the same is as follows:

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|-------------|-----------------------------------|-----------------------------------|
|-------------|-----------------------------------|-----------------------------------|

| | | |
|--------------------------|-----------------|-----------------|
| Sale of Goods - Local | 4,642.91 | 3,378.93 |
| Sale of Goods- Export | - | - |
| Sale of Services- Local | 17.56 | 156.24 |
| Sale of Services- Export | - | - |
| Total | 4,660.47 | 3,535.17 |

- **Other Income**

Other Income for the Financial Year 2021-22, stood at Rs. 10.45 Lakhs whereas in Financial Year 2020-21 it stood at Rs. 11.60 Lakhs representing an decrease of 9.94%. This was decreased because other non-operating income was stood at 2.75 lakhs in F.Y. 2020-21 and Nil in F.Y. 2021-22.

Expenditure

- **Total Expenses**

Total Expenses for the Period ended March 31, 2022, stood at ₹ 4,600.67 lakhs whereas in FY ended March 31, 2021 it stood at ₹ 3,507.58 lakhs representing an increase of 31.16%.

Reason: The increase is on account of increase in cost of consumption, finance cost, and other expenses which are increased 34.86%, 22.22%, and 38.91% respectively as compared to previous Financial Year.

- **Cost of Consumption**

Cost of Consumption for the Period ended March 31, 2022, stood at ₹ 4,074.63 lakhs whereas in FY ended March 31, 2021 it stood at ₹ 3,021.35 lakhs representing an increase of 34.86%

Reason: As the company is expanding its business and the company is in growth stage where cost of consumption is increasing in line with the increase of turnover of the Company.

- **Other Manufacturing Expenses**

Other Manufacturing Expenses on basis for the period ended March 31, 2022, stood at Rs. 63.55 Lakhs whereas in FY ended March 31, 2021 it stood at Rs. 91.16 Lakhs representing an decrease of 30.29%.

- **Employment Benefit Expenses**

Employee benefit expenses for the Period ended March 31, 2022, stood at ₹ 68.86 lakhs whereas in FY ended March 31, 2021 it stood at ₹ 76.62 lakhs representing an decrease of 10.13%.

Reason: There was an decrease in 'Employee benefit expenses' because of decrease in employee gratuity which stood at 2.98 lakhs against 8.82 lakhs for previous year.

- **Finance Cost**

Finance Cost for the Period ended March 31, 2022, stood at ₹ 254.64 lakhs whereas in FY ended March 31, 2021 it stood at ₹ 208.34 lakhs.

Reason: There is an increase of finance cost of the Company by approximately 22.22%. The increase in interest because of increase in borrowings from banks from 257.35 lakhs in F.Y. 2020-21 to 376.62 lakhs in F.Y. 2021-22

- **Depreciation and Amortization Expenses**

The Depreciation and Amortization Expenses for the Period ended March 31, 2022, stood at ₹ 29.78 lakhs whereas in Financial Year 2020-21 it stood at ₹ 31.49 lakhs representing a decrease of 5.44%.

Reason: Depreciation and Amortization Expenses has been decreased because of decrease in net block due to

charge of depreciation. No significant purchase has been made in property, plant & investment.

- **Other Expenses**

The Other Expenses for the Period ended March 31, 2022, stood at ₹ 109.21 lakhs whereas for FY ended March 31, 2021 it stood at ₹ 78.62 representing an increase of 38.91%.

Reason: The major increase in other expenses is from other expenses which was NIL for F.Y. 2020-21 and for F.Y. 2021-22 it stood at 43.71.

- **Restated Profit/(Loss) before Tax**

In line with above discussions, The restated profit before tax increased significantly by 31.07 lakhs from ₹ 39.19 lakhs in FY ended March 31, 2021 to ₹ 70.25 lakhs for the FY ended March 31, 2022.

- **Tax Expense**

Our total tax expense also accordingly increased by ₹ 5.81 lakhs from ₹ 12.63 lakhs in FY ended March 31, 2021 to ₹ 18.44 lakhs in FY ended March 31, 2022.

- **Restated Profit/(Loss) after Tax**

For the various reasons stated above and adjustments of tax expense, Our Restated profit after tax increased significantly by ₹ 25.25 lakhs from ₹ 26.56 lakhs in FY ended March 31, 2021 to ₹ 51.81 lakhs for the FY ended March 31, 2022.

INFORMATION REQUIRED AS PER ITEM (II) (C) (IV) OF PART A OF SCHEDULE VI TO THE SEBI REGULATIONS:

1. Unusual or infrequent events or transactions

Except as described in this Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

2. Significant economic changes that materially affected or are likely to affect income from continuing operations

Other than as described in the section titled Risk Factors beginning on page 24 of this Prospectus, to our knowledge there are no known significant economic changes that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations

Other than as described in this Prospectus, particularly in the sections Risk Factors and Management's Discussion and Analysis of Financial Condition and Results of Operations on pages 24 and 246 respectively, to our knowledge, there are no known trends or uncertainties that are expected to have a material adverse impact on our revenues or income from continuing operations

4. Income and Sales on account of major product/main activities

Income and sales of our Company on account of major activities derives from the business of manufacturing of Power Transformers, Distribution Transformers, Solar Transformers, Windmill Transformers and Furnace Transformers electronic transformers.

5. Future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known.

Our Company's future costs and revenues can be indirectly impacted by an increase in employees benefit costs as the company require more employee in future.

6. Future relationship between Costs and Income

Our Company's future costs and revenues will be determined by competition, demand/supply situation, Indian Government Policies, foreign exchange rates and interest rates quoted by banks & others.

7. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices.

Increases in our revenues are by and large linked to increases in the volume of business.

8. Total turnover of each major industry segment in which the issuer company operates.

The Company is operating in power sector, heavy electronic equipment. Relevant industry data, as available, has been included in the chapter titled "*Our Industry*" beginning on page 102 of this Prospectus.

9. Status of any publicly announced new products or business segments.

Our Company has not announced any new services and product and segment / scheme, other than disclosure in this Prospectus.

10. The extent to which the business is seasonal.

Our business does not depend to a certain extent on the seasonal, environmental and climate changes. Hence, our business is not seasonal in nature.

11. Competitive Conditions

We face competition from existing and potential competitors which is common for any business. Over a period of time, we have developed certain competitive strengths which have been discussed in section titled Our Business on page 114 of this Prospectus.

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FINANCIAL INDEBTEDNESS

In terms of the Articles of Association of the Company, the Board is authorized to accept deposits from members either in advance of calls or otherwise, and generally accept deposits, raise loans or borrow or secure the payment of any sum of moneys to be borrowed together with the moneys already borrowed including acceptance of deposits apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, exceeding the aggregate of the paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) or upto such amount as may be approved by the shareholders from time to time.

Our Company has obtained the necessary consents required under the relevant loan documentation with banks and financial institutions for undertaking activities, such as change in its capital structure, change in its shareholding pattern and change in promoter's shareholding which has a possible change in the management control of our Company.

As on July 31, 2023 our Company has total outstanding secured borrowings from banks and financial institutions aggregating to Rs 1,311.97 lakhs and company has no outstanding unsecured loan, as per the certificate issued by M/s P P N and Company, Chartered Accountants, dated October 05, 2023.

Set forth below is a brief summary of our aggregate borrowings from banks and financial institutions on a Standalone basis:

I. Secured Borrowings

| S. No | Nature of Facilities | | | | |
|-------|--|------------------|--------------------------------|---|---|
| A | Long Term Loans | Rate of interest | Sanctioned Amount (In Lakh) | Amount Outstanding as on July 31, 2023 (In Lakh) | Security |
| 1. | Canara Bank Ltd Term Loan | 9.25% | 190.00 | 190.00 | Security created on Stock & Book Debts |
| 2. | Canara Bank Ltd Term Loan | 9.25% | 251.00 | 90.73 | Security created on Stock & Book Debts |
| 3. | Indusind Bank Ltd- Term Loan | 8.75% | 34.68 | 34.68 | Security created on Stock & Book Debts |
| 4. | Indusind Bank Ltd - Term Loan | 9.25% | 69.37 | 25.05 | Security created on Stock & Book Debts |
| 5. | HDFC Bank Ltd- Term Loan | 8.60% | 77.80 | 77.80 | Hypothecation of Vehicle |
| 6. | Total Loans Term Loans | | 622.85 | 418.26 | |
| 7. | Less: Current Maturities on Long Term Borrowings (treated as short term) | | | 149.09 | |
| 8. | Net Long Term Borrowings (A) | | | 269.17 | |
| | | | | | |
| B. | Short Term Loan | | | | |
| 1. | Indusind Bank Limited - Cash Credit | 10.61% | 400.00 | 246.62 | Security created on Stock and Debtors |
| 2. | Canara Bank Limited — Supply Bills under Area Specified Scheme (TANGEDCO /TANTRANSCO) Bills Discounting | 11.35% | 1,500.00 | 647.09 | Hypothecation of underlying Receivables pertaining Bills discounted under the scheme. |
| 3. | The Tamilnadu Industrial Investment Corporation Limited Bill Finance Scheme for undertaking work orders to TANGEDCO/ TANTRANSCO against Turnover | 10.45% | 2,000.00 | - | Hypothecation of underlying Receivables pertaining Bills discounted under the scheme. |
| 4. | Sub Total | | | 893.71 | |

| | | |
|--|-----------------|--|
| 5. Add: Current Maturities on Long Term Borrowings (treated as short term) | 149.09 | |
| 6. Total Loans Term Loans (B) | 1,042.80 | |
| Grand Total — Secured Borrowings (A) + (B) | 1,311.97 | |

II. Unsecured Borrowings

| S. No | Nature of Facilities | Rate of interest | Sanctioned Amount (In Lakh) | Amount Outstanding as on July 31, 2023 (In Lakh) | Security |
|----------|----------------------|---------------------|-----------------------------------|---|----------|
| B | - | - | - | - | - |

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SECTION VII - LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except, as stated in this section and mentioned elsewhere in this Prospectus there are no litigations including, but not limited to suits, criminal proceedings, civil proceedings, actions taken by regulatory or statutory authorities or legal proceedings, including those for economic offences, tax liabilities, show cause notice or legal notices pending against our Company, Directors, Promoters, Group Companies or against any other company or person/s whose outcomes could have a material adverse effect on the business, operations or financial position of the Company and there are no proceedings initiated for economic, civil or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (a) of Part I of Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company, and no disciplinary action has been taken by SEBI or any stock exchange against the Company, Directors, Promoters or Group Companies.

Pursuant to the SEBI ICDR Regulations and the Materiality Policy adopted by our Board of Directors on October 03, 2023 for the purposes of disclosure, any pending litigation involving the Relevant Parties, other than criminal proceedings, actions by regulatory authorities and statutory authorities, including outstanding action, and tax matters, would be considered 'material' where:

- i. the claim/dispute amount, to the extent quantifiable, exceeds 10% of the total consolidated trade payables of the Company as per the last restated financial statements of the Company for a complete Financial Year would be considered 'material' for disclosure in this Prospectus; and*
- ii. the monetary impact is not quantifiable or the amount involved may not exceed the materiality threshold set out under (i) above, but an outcome in any such litigation would materially and adversely affect the Company's business, operations, cash flows, financial position or reputation of the Company.*

Except as stated in this section, there are no outstanding material dues to creditors of our Company. In terms of the Materiality Policy, outstanding dues to any creditor of our Company having monetary value which exceeds 10% of the total consolidated trade payables of the Company as per the latest restated financial statements of the Company shall be considered as 'material'. Further, for outstanding dues to any party which is a micro, small or a medium enterprise ("MSME"), the disclosure will be based on information available with our Company regarding status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended, as has been relied upon by the Statutory Auditor.

It is clarified that pre-litigation notices (other than those issued by governmental, statutory or regulatory authorities) received by our Company, our Directors shall not be considered as litigation until such time that any of our Company, our Directors, as the case may be, is made a party to proceedings initiated before any court, tribunal or governmental authority or any judicial authority, or is notified by any governmental, statutory or regulatory authority of any such proceeding that may be commenced.

All terms defined in a particular litigation disclosure pertain to that litigation only.

1. LITIGATION INVOLVING OUR COMPANY

(a) Litigation proceedings against our Company

1 Criminal Proceedings:

As on the date of this Prospectus, there are no outstanding criminal proceedings initiated *against* our Company.

2 Civil Proceedings:

As on the date of this Prospectus, there are no outstanding civil proceedings initiated *against* our Company.

3 Actions taken by Statutory/Regulatory Authorities

As on the date of this Prospectus, there are no outstanding action by statutory or regulatory authorities initiated *against* our Company.

4 Tax Proceedings

Set out herein below are details of pending tax cases involving our Company:

As on the date of this Prospectus, there are no tax proceedings initiated *against* our Company.

5 Disciplinary action taken by SEBI or Stock Exchanges

As on the date of this Prospectus, no disciplinary action by the SEBI or Stock Exchanges initiated *against* our Company.

6 Other Material Litigations

As on the date of this Prospectus, there are no other material litigations initiated *against* our Company.

(b) Litigation by our Company

1. Criminal Proceedings

As on the date of this Prospectus, there are no outstanding criminal proceedings initiated *by* our Company.

2. Civil and other Material Litigations

As on the date of this Prospectus, there are no civil and other material litigation has been initiated *by* our Company.

2. LITIGATION INVOLVING OUR PROMOTERS

Cases filed against our Promoters

1. Criminal Proceedings

Set herein below are details of criminal proceedings involving our Promoters:

fMr. Vee Rajmohan

| Sr. No. | Case Reg No. | Court Name | Plaintiff/ Complainant | Petitioner/ Defendant/ Respondent | Case Status |
|---------|--------------|--------------------------------------|---|-----------------------------------|-----------------------|
| 1 | CC /219/2023 | V Additional Metropolitan Magistrate | M/s Central Bureau of Investigation Economic Offence Branch | 10 th Accuse | Examination of Accuse |

Description of the case: CBI Economic offence Wing has taken cognizance under section 120B r/w 420, 467, 468, and 471 of Indian Penal Code based on complaint received from State Bank Of India against M/s. Meghana Metallurgy Pvt. Ltd & their director's for fraud against bank in repayment of dues and collateral towards which FIR has been filed in 2015. However, during the course of investigation Mr. Vee Rajmohan, was added as Accuse no: 10 in final report.

The allegation is that in year 2010-2011 Mr. Vee Rajmohan has supplied goods to M/s Meghana Metallurgy Pvt. Ltd through partnership firm M/s Industrial Engineers (Currently Dissolved) and M/s. Dhanya Electric. Based on the bills issued by the above said partnership name M/s. Meghana Metallurgy Pvt. Ltd has opened a Letter of credit in their respective firm names. Subsequently the Letter of Credit (LC) has been discounted in respective partnership firms Bank and the received LC amount has been transferred to M/s. Meghana Metallurgy Pvt. Ltd director's and their friends. Meanwhile M/s. Meghana Metallurgy Pvt. Ltd has repaid all the pending dues and obtained no due certificate from Complainant bank on 08.08.2019.

Current Status of the Case: Stage of case is For Examination of accuse and Charge Sheet is filed. Since the Trail has started only in the month of April 2023 and also the alleged amount is paid to the bank, therefore with the strength of no due certificate and other documents we are exploring to all the appropriate legal remedy to discharge from this Case by establishing our bon fide reasons.

2. Civil Proceedings

As on the date of this Prospectus, there are no outstanding civil proceedings initiated *against* our Promoters.

3. Actions taken by Statutory/Regulatory Authorities

As on the date of this Prospectus, there are no outstanding action by statutory or regulatory authorities initiated *against* our promoters.

4. Tax Proceedings

As on the date of this Prospectus, there are no tax proceedings initiated *against* our promoters.

5. Disciplinary action against our Promoters by SEBI or any stock exchange in the last five (05) fiscals

As on date of this Prospectus, no disciplinary action including penalty imposed by SEBI or stock exchanges has been initiated against our promoters in the last five Fiscals including any outstanding action.

6. Other Material Litigations

As on the date of this Prospectus, there are no other material litigations initiated *against* our Promoters.

Cases filed by our Promoters

1. Criminal Proceedings

As on the date of this Prospectus, there are no outstanding criminal proceedings initiated *by* our Promoters.

2. Civil and Other Material Litigations

As on the date of this Prospectus, there are no outstanding material litigation initiated *by* our Promoters.

3. LITIGATION INVOLVING OUR DIRECTORS

Cases filed against our directors

1. Criminal Proceedings

Set herein below are details of criminal proceedings involving our director:

Mr. Vee Rajmohan

| Sr. No. | Case Reg No. | Court Name | Plaintiff/ Complainant | Petitioner/ Respondent | Case Status |
|----------------|---------------------|--------------------------------------|---|-------------------------------|-----------------------|
| 1 | CC /219/2023 | V Additional Metropolitan Magistrate | M/s Central Bureau of Investigation Economic Offence Branch | 10 th Accused | Examination of Accuse |

Description of the case: CBI Economic offence Wing has taken cognizance under section 120B r/w 420, 467, 468, and 471 of Indian Penal Code based on complaint received from State Bank Of India against M/s. Meghana Metallurgy Pvt. Ltd & their director's for fraud against bank in repayment of dues and collateral towards which FIR has been filed in 2015. However, during the course of investigation Mr. Vee Rajmohan, was added as Accuse no: 10 in final report.

The allegation is that in year 2010-2011 Mr. Vee Rajmohan has supplied goods to M/s Meghana Metallurgy Pvt. Ltd through partnership firm M/s Industrial Engineers (Currently Dissolved) and M/s. Dhanya Electric. Based on the bills issued by the above said partnership name M/s. Meghana Metallurgy Pvt. Ltd has opened a Letter of credit in their respective firm names. Subsequently the Letter of Credit (LC) has been discounted in respective partnership firms Bank and the received LC amount has been transferred to M/s. Meghana Metallurgy Pvt. Ltd director's and their friends. Meanwhile M/s. Meghana Metallurgy Pvt. Ltd has repaid all the pending dues and obtained no due certificate from Complainant bank on 08.08.2019.

Current Status of the Case: Stage of case is For Examination of accuse and Charge Sheet is filed. Since the Trail has started only in the month of April 2023 and also the alleged amount is paid to the bank, therefore with the strength of no due certificate and other documents we are exploring to all the appropriate legal remedy to discharge from this Case by establishing our bon fide reasons.

2. Civil Proceedings

As on the date of this Prospectus, there are no outstanding civil proceedings initiated *against* our directors.

3. Actions taken by Statutory/Regulatory Authorities

As on the date of this Prospectus, there are no outstanding action by statutory or regulatory authorities initiated *against* our directors.

4. Tax Proceedings

As on the date of this Prospectus, there are no tax proceedings initiated *against* our promoters.

5. Disciplinary action taken by SEBI or stock exchanges

As on the date of this Prospectus, no disciplinary action by the SEBI or Stock Exchanges initiated *against* our directors.

6. Other Material Litigations

As on the date of this Prospectus, there are no other material litigations initiated *against* our director.

Cases filed by our directors

1. Criminal Proceedings

As on the date of this Prospectus, there are no outstanding criminal proceedings initiated *by* our directors.

2. Other Material Litigations

As on the date of this Prospectus, there are no other material litigations initiated *by* our directors.

4. LITIGATION INVOLVING OUR SUBSIDIARY

As on date of this Prospectus, our Company does not have any subsidiary company.

5. LITIGATION INVOLVING OUR GROUP COMPANIES

As on the date of this Prospectus, there are no litigations involving our group entities.

6. OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS

As per the materiality policy of our company, a creditor of our company, shall be considered material (“Material Creditor”) for disclosure in this Prospectus, if an amount due to such creditor exceeds 10% of the total consolidated trade payables.

As on July 31, 2023, our company has 28 MSME vendors as per the Micro, Small, Medium Enterprises Development Act, 2006 with aggregating payable or outstanding amounting to 352.45 Lakhs. Details of amounts outstanding to material and other creditors is as follows:

(₹ in Lakhs)

| Particulars | No. of Creditors | Amount |
|----------------------------|------------------|----------------|
| Dues to material creditors | 3 | 1,004.26 |
| Dues to MSME Vendor | 28 | 352.45 |
| Dues to other creditors | 124 | 1,426.05 |
| Total | 155 | 2782.76 |

Complete details of outstanding dues to our creditors as on July 31, 2023 is available at the website of our Company i.e., www.supremepower.in. It is clarified that information provided on the website of our Company is not a part of this Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, www.supremepower.in, would be doing so at their own risk. For further details, please refer to the section titled "*Financial Information*" on page 182 of this Prospectus.

7. MATERIAL DEVELOPMENT OCCURRING AFTER LAST BALANCE SHEET DATE I.E., JULY 31, 2023

There are no material developments occurring after last balance sheet date i.e., July 31, 2023.

8. DISCLOSURES PERTAINING TO WILFUL DEFAULTERS

Neither our Company, nor our Promoters, and Directors have been categorized or identified as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

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GOVERNMENT AND OTHER APPROVALS

In view of the licenses / permissions / approvals / no-objections / certifications / registrations, (collectively “Authorisations”) listed below, our Company can undertake this Issue and our current business activities and to the best of our knowledge, no further approvals from any governmental or regulatory authority or any other entity are required to undertake this Issue or continue our business activities. Unless otherwise stated, these approvals are all valid as of the date of this Prospectus. It must be distinctly understood that, in granting these approvals, the GoI, the RBI or any other authority does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. For further details in connection with the regulatory and legal framework within which we operate, please refer to the chapter titled “Key Industry Regulation and Policies” beginning on page 139 of the Prospectus.

CORPORATE APPROVALS FOR THIS ISSUE

1. The Board of Directors have, pursuant to resolutions passed at its meeting held on September 04, 2023 has approved the Issue, subject to the approval by the shareholders of the Company under Section 62 (1) (c) of the Companies Act 2013.
2. The Shareholders have, pursuant to the resolution dated September 29, 2023 under section 62 (1) (c) of the Companies Act 2013, authorized the Issue.

IN-PRINCIPLE APPROVAL

The Company has obtained approval from NSE vide its letter dated December 12, 2023 to use the name of NSE in this Offer document for listing of equity shares on Emerge Platform of NSE. NSE is the Designated Stock Exchange.

AGREEMENTS WITH NSDL AND CDSL

1. The Company has entered into an agreement dated July 10, 2023, with the Central Depository Services (India) Limited (CDSL), and the Registrar and Transfer Agent, who, in this case, is Purva Shareregistry India Private Limited for the dematerialization of its shares.
2. The Company has also entered into an agreement dated July 10, 2023, with the National Securities Depository Limited (NSDL) and the Registrar and Transfer Agent, who, in this case, is Purva Shareregistry India Private Limited for the dematerialization of its shares.
3. The Company’s International Securities Identification Number (ISIN) is INE0QHG01026.

INCORPORATION DETAILS OF OUR COMPANY

| S.N. | Authorisation granted | Issuing Authority | CIN | Date of Issue | Valid upto |
|------|---|-------------------|-----------------------|---------------|-------------|
| 1. | Certificate of Incorporation in the name of “Supreme Power Equipment Private Limited” | ROC, Chennai | U31200TN2005PTC056666 | 21/05/2012 | 18/09/2023* |

| | | | | | |
|----|---|--------------|-----------------------|------------|-----------|
| 2. | Certificate of Incorporation for conversion from Private to Public company in the name of “Supreme Power Equipment Limited” | ROC, Chennai | U31200TN2005PLC056666 | 18/09/2023 | Perpetual |
|----|---|--------------|-----------------------|------------|-----------|

* CIN of the Company has been changed pursuant to conversion of being private company to public company.

TAX RELATED AUTHORISATIONS OF COMPANY

| S.N. | Authorization granted | Issuing Authority | Registration No./Reference No./License No. | Date of Issue | Validity |
|------|--|--|--|---------------|--------------------------|
| 1. | Permanent Account Number | Income Tax Department, GoI | AAJCS0712P | 21/06/2005* | Perpetual |
| 2. | Tax Deduction Account Number | Income Tax Department, GoI | CHES27134C | 18/01/2007* | Perpetual |
| 3. | GST Registration Certificate (Tamilnadu) | Central Goods and Services Tax Act, 2017 | 33AAJCS0712 P1Z8 | 01/07/2017* | Valid until cancellation |

*Note: The company has applied for New PAN, TAN and GST certificate before respective authorities to change its name from “Supreme Power Equipment Private Limited” to “Supreme Power Equipment Limited”. However the application is in the process and has not disposed off.

BUSINESS RELATED CERTIFICATIONS

Our Company has received the following significant government and other approvals pertaining to our business:

| S.N. | Authorization granted | Issuing Authority | Registration No./Reference No./License No. | Date of Issue/Date of Renewal | Valid upto |
|------|---|---|--|-------------------------------|--------------------------|
| 1. | Udyam Registration Certificate | Ministry of Micro, Small and Medium Enterprise, GOI | UDYAM-TN-24-0001196 | 18/08/2020 | Valid until cancellation |
| 2. | LEI Registered | Global Umbrella Organisation GLEIF(Global Legal Entity Identifier Foundation) | 984500B4548B6REKE122 | 22/01/2022 | 22/01/2025 |
| 3. | Factory License | Government of Tamil Nadu (Directorate of Industrial Safety and Healthy) | TVR06857 | 12/11/2022 | 31/12/2027 |
| 4. | Fire Service Licence* | District Officer, Fire and Rescue Services, Chennai | 4077/2023 | 17/11/2023 | 16/11/2024 |
| 5. | Employees’ Provident Funds and Miscellaneous Provisions Act, 1952 | Office of the Regional Provident Fund Commissioner, New Delhi | TNAMB0067122000 | 02/06/2008 | Valid until cancellation |

| | | | | | |
|----|-------------------------------------|--|-------------------|------------|--------------------------|
| 6. | Employees State Insurance Act, 1948 | Sub-Regional Officer, ESIC | 51000888630000606 | 26-09-2009 | Valid until cancellation |
| 7 | Air Pollution Control Licence | Tamil Nadu Pollution Control Board, Tiruvallur | 2308242420257 | 23/01/2023 | 31/03/2027 |
| 8 | Water Pollution Control Licence | Tamil Nadu Pollution Control Board, Tiruvallur | 2308142420257 | 23/01/2023 | 31/03/2027 |

Material licenses/approvals for which our Company is yet to apply / Statutory Approvals/ Licenses required for the proposed expansion.

Our Company do not have any pending licenses, permissions, and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies which applied for but not yet received.

Note: Some of the approvals are in the name of Supreme Power Equipment Private Limited and the Company is in the process of taking all the approval in the new name of the Company i.e. Supreme Power Equipment Limited.

IT MUST, HOWEVER BE, DISTINCTLY UNDERSTOOD THAT IN GRANTING THE ABOVE-MENTIONED APPROVALS, THE CENTRAL GOVERNMENT, STATE GOVERNMENT, RBI AND OTHER AUTHORITIES DO NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE COMPANY OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS.

This space is left blank intentionally.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

1. This Issue has been authorized by a resolution passed by our Board of Directors at its meeting held on September 04, 2023.
2. The Shareholders of our Company have authorized this Issue by their Special Resolution passed pursuant to Section 62 (1) (c) of the Companies Act, 2013, at its AGM held on September 29, 2023, and authorized the Board to take decisions in relation to this Issue.
3. The Company has obtained approval from NSE vide its letter dated December 12, 2023 to use the name of NSE in this Offer document for listing of equity shares on Emerge Platform of NSE. NSE is the Designated Stock Exchange.
4. Our Board has approved the Draft Red Herring Prospectus through its resolution dated October 16, 2023.
5. Our Board has approved the Red Herring Prospectus through its resolution dated December 16, 2023.
6. Our Board has approved this Prospectus through its resolution dated December 27, 2023.
7. We have also obtained all necessary contractual approvals required for this Issue. For further details, refer to the chapter titled "*Government and Other Approvals*" beginning on page number 267 of this Prospectus.

Prohibition by SEBI

Our Company, Directors, Promoters, members of the Promoter Group and Group Entities or the Director and Promoter of our Promoter Companies, have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.

The companies, with which Promoters, Directors or persons in control of our Company were or are associated as promoters, directors or persons in control of any other company have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Prohibition by RBI or Governmental authority

Our Company, our Promoters or their relatives (as defined under the Companies Act) and our Group Entities have confirmed that they have not been declared as wilful defaulters by the RBI or any other government authority and there are no violations of securities laws committed by them in the past or no proceeding thereof are pending against them.

Our directors have not been declared as wilful defaulter by RBI or any other government authority and there have been no violation of securities laws committed by them in the past or no proceedings thereof are pending against them.

Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018

In view of the General Circular No. 07/2018 dated September 6, 2018 and General Circular No. 8/ 2018 dated September 10, 2018 issued by the Ministry of Corporate Affairs, Government of India, our Company, and our Promoter Group will ensure compliance with the Companies (Significant Beneficial Ownerships) Rules, 2018 as per the applicability.

Directors associated with the Securities Market

We confirm that none of our directors are associated with the securities market in any manner and no action has been initiated against these entities by SEBI in the past five (5) years preceding the date of this Prospectus.

ELIGIBILITY FOR THIS ISSUE

Our Company is eligible for the Offer in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations, 2018 as the post Offer face value capital is More than Rs.1,000 Lakh, But upto 2,500 Lakh. Our Company also complies with the eligibility conditions laid by the Emerge Platform of NSE Limited for listing of our Equity Shares.

We confirm that:

- a) In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this Issue ***will be hundred percent underwritten and that the BRLM to the Offer will underwrite at least 15% of the Total Issue Size.*** For further details pertaining to said underwriting please refer to “General Information” Underwriting on page 54 of this Prospectus.
- b) In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within four (4) days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of four (4) days, be liable to repay such application money with interest as prescribed under Section 40 of the Companies Act, 2013 and SEBI (ICDR) Regulations.
- c) In accordance with Regulation 246 of the SEBI (ICDR) Regulations, the BRLM shall ensure that the Issuer shall file a copy of the Red Herring Prospectus/ Prospectus with SEBI along with a due diligence certificate including additional confirmations as required to SEBI at the time of filing the Red Herring Prospectus/ Prospectus with the Registrar of Companies.
- d) In accordance with Regulation 261 of the SEBI (ICDR) Regulations, the BRLM will ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of equity shares offered in this Issue. For further details of market making arrangement, please refer to the section titled “*General Information*”, “*Details of the Market Making Arrangements for this Issue*” on page 55 of this Prospectus.
- e) In accordance with Regulation 228 (a) of the SEBI (ICDR) Regulations, Neither the issuer, nor any of its promoters, promoter group or directors are debarred from accessing the capital market by the Board.
- f) In accordance with Regulation 228 (b) of the SEBI (ICDR) Regulations, none of the promoters or directors of the issuer is a promoter or director of any other company which is debarred from accessing the capital market by the Board.

- g) In accordance with Regulation 228 (c) of the SEBI (ICDR) Regulations, Neither the issuer nor any of its promoters or directors is a willful defaulter or fraudulent borrower.
- h) In accordance with Regulation 228 (d) of the SEBI (ICDR) Regulations, None of the Issuer's promoters or directors is a fugitive economic offender.
- i) In accordance with Regulation 230 (1) (a) of the SEBI (ICDR) Regulations, Application is being made to NSE Limited and NSE Limited is the Designated Stock Exchange.
- j) In accordance with Regulation 230 (1) (b) of the SEBI (ICDR) Regulations, the Company has entered into agreement with depositories for dematerialization of specified securities already issued and proposed to be issued.
- k) In accordance with Regulation 230 (1) (c) of the SEBI (ICDR) Regulations, all the present Equity share Capital fully Paid Up.
- l) In accordance with Regulation 230 (1) (d) of the SEBI (ICDR) Regulations, all the specified securities held by the promoters are already in dematerialized form.

NSE ELIGIBILITY NORMS:

- The Company has been incorporated under the Companies Act, 2013 in India.
- The post issue paid up capital of the Company (face value) will not be more than Rs. 2,500.00 Lakh.
- Track Record:**

1. The Company should have a track record of at least 3 (three) years.

Our Company was incorporated on 21/06/2005 under the provisions of Companies Act, 1956, and we satisfy the criteria of Track Record:

On the basis of consolidated financial statements:

(Rs. In Lakh)

| Particulars | 31 st July 2023 | 2022-23 |
|--|----------------------------|----------|
| Net Profit as per Restated Financial Statement | 492.57 | 1,082.29 |

On the basis of Standalone financial statements:

| Particulars | 31 st July 2023 | 2022-23 | 2021-22 | 2020-21 |
|--|----------------------------|----------|---------|---------|
| Net Profit as per Restated Financial Statement | 492.57 | 1,082.29 | 51.81 | 26.56 |

- The Company should have operating profit (earnings before interest, depreciation and tax) from operations for at least 2 financial years preceding the application and that the Company has track record of 3 years & the net-worth of the Company should be positive.

On the basis of consolidated financial statements:

(Rs. In Lakh)

| Particulars | 31 st July 2023 | 2022-23 |
|-------------|----------------------------|---------|
|-------------|----------------------------|---------|

| | | |
|---|---------|----------|
| Operating profit (earnings before interest, depreciation and tax) | 787.08 | 1,830.56 |
| Net-worth | 2298.26 | 1805.69 |

On the basis of Standalone financial statements:

| Particulars | 31 st July 2023 | 2022-23 | 2021-22 | 2020-21 |
|---|----------------------------|----------|---------|---------|
| Operating profit (earnings before interest, depreciation and tax) | 682.19 | 1,553.66 | 354.67 | 279.02 |
| Net-worth | 2,298.26 | 1805.69 | 723.40 | 671.61 |

4. The company shall mandatorily facilitate trading in demat securities and enter into an agreement with both the depositories.

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the tripartite agreements with the Depositories and the Registrar and Share Transfer Agent. The Company's shares bear an ISIN: INE0QHG01026.

5. The company shall mandatorily have a website.

Our Company has a live and operational website is www.supremepower.in

Other Listing Requirements

- a) Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
- b) There is no winding up petition against the company that has been admitted by the Court and accepted by a court or Liquidator has not been appointed.
- c) There has been no change in the promoter/s of the Company in preceding one year from the date of filing application to NSE India for listing on Emerge Platform of NSE India.
- d) No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
- e) Our Company has not been referred to the National Company Law Tribunal (NCLT) under Insolvency and Bankruptcy Code, 2016.
- f) None of the Directors of our Company have been categorized as a Willful Defaulter or fraudulent borrowers.
- g) The directors of the issuer are not associated with the securities market in any manner, and there is no outstanding action against them initiated by the Board in the past five years.

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the NSE Emerge.

COMPLIANCE UNDER REGULATION 300 OF SEBI(ICDR) REGULATIONS

No exemption from eligibility norms has been sought under Regulation 300 of the SEBI (ICDR) Regulations with respect to the Issue.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE PROSPECTUS TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THIS OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE PROSPECTUS. THE BOOK RUNNING LEAD MANAGER, NARNOLIA FINANCIAL SERVICES LIMITED AS CERTIFIED THAT THE DISCLOSURES MADE IN THE PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE PROSPECTUS, THE BOOK RUNNING LEAD MANAGER, NARNOLIA FINANCIAL SERVICES LIMITED, IS 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, NARNOLIA FINANCIAL SERVICES LIMITED, SHALL FURNISH TO SEBI A DUE DILIGENCE CERTIFICATE DATED DECEMBER 27, 2023 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF SECURITIES AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THE PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE PROSPECTUS.

DISCLAIMER STATEMENT FROM OUR COMPANY AND THE BOOK RUNNING LEAD MANAGER

Our Company, its Directors and the BRLM accept no responsibility for statements made otherwise than in this Prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website www.supremepower.in & www.narnolia.com would be doing so at his or her own risk.

Caution

The BRLM accepts no responsibility, save to the limited extent as provided in the Agreement for Issue management, the Underwriting Agreement and the Market Making Agreement. Our Company, our Directors and the BRLM shall make all information available to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centers, *etc.* The BRLM and its associates and affiliates may engage in transactions with and perform services for, our Company and their respective associates in the ordinary course of business & have engaged and may in future engage in the provision of financial services for which they have received, and may in future receive, compensation.

Investors who apply in this Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company and the BRLM and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such an investor is eligible to acquire Equity Shares.

Disclaimer in Respect of Jurisdiction

This Issue is being made in India to persons resident in India including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakh, pension funds with minimum corpus of Rs.2,500 Lakh and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Red Herring Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Red Herring Prospectus comes is required to inform him or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Maharashtra only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Red Herring Prospectus had been filed with NSE Emerge for its observations and NSE Emerge gave its observations on the same. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this 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 Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S Securities Act and in compliance with applicable laws, legislations and Red Herring Prospectus in each jurisdiction, including India.

Disclaimer Clause of the Emerge Platform of NSE

NSE Limited (NSE) has given vide its letter dated December 12, 2023, permission to this Company to use its name in this offer document as one of the stock exchange on which this company's securities are proposed to be listed on the Emerge Platform. NSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. NSE Limited does not in any manner:-

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. warrant that this Company's securities will be listed on completion of Initial Public Offer or will continue to be listed on NSE; or
- iii. take any responsibility for the financial or other soundness of this Company, its promoter, its management or any scheme or project of this Company;
- iv. warrant, certify or endorse the validity, correctness or reasonableness of the price at which the equity shares are offered by the Company and investors are informed to take the decision to invest in the equity shares of the Company only after making their own independent enquiries, investigation and analysis. The price at which the equity shares are offered by the Company is determined by the Company in consultation with the Merchant Banker (s) to the issue and the Exchange has no role to play in the same and it should not for any reason be deemed or construed that the contents of this offer document have been cleared or approved by NSE. Every person who desires to apply for or otherwise acquire any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against NSE, whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.
- v. NSE does not in any manner be liable for any direct, indirect, consequential or other losses or damages including loss of profits incurred by any investor or any third party that may arise from any reliance on this offer document or for the reliability, accuracy, completeness, truthfulness or timeliness thereof.
- vi. The Company has chosen the Emerge platform on its own initiative and at its own risk, and is responsible for complying with all local laws, rules, regulations, and other statutory or regulatory requirements stipulated by NSE / other regulatory authority. Any use of the Emerge platform and the related services are subject to Indian Laws and Courts exclusively situated in Mumbai.

DISCLAIMER CLAUSE UNDER RULE 144A OF U.S. SECURITIES ACT.

The Equity Shares have not been and will not be registered under the U.S Securities Act of 1933, as amended (U.S. Securities Act) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S Persons (as defined in Regulation S), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transaction in reliance on Regulation S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

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

TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGER

For details regarding the price information and the track record of the past Issues handled by the BRLM to the Issue as specified in Circular reference no. CIR/CFD/DIL/7/2015 dated October 30, 2015, issued by the SEBI, please refer to Annexure A to the Prospectus and the website of the BRLM at www.narnolia.com.

PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGER

ANNEXURE-A

Disclosure of Price Information of Past Issues Handled by Merchant Banker

TABLE 1

| Sr. No. | Issue Name | Issue Size (Rs. in Cr.) | Issue Price (Rs.) | Listing Date | Operating Price on Listing Date | +/-% change in closing price, [+/-% change in closing benchmark]-30th calendar days from listing | +/-% change in closing price, [+/-% change in closing benchmark]-90th calendar days from listing | +/-% change in closing price, [+/-% change in closing benchmark]-180th calendar days from listing |
|---|---------------------------|-------------------------|-------------------|-------------------|---------------------------------|--|--|---|
| Initial Public Offering - Main Board | | | | | | | | |
| N.A. | | | | | | | | |
| Initial Public Offering – SME Exchange | | | | | | | | |
| 1. | Drone Destination Limited | 44.20 | 65.00 | 21 July 2023 | 102.10 | 21.99% (1.78%) | 22.23% (0.61) % | N.A. |
| 2. | Yudiz Solutions Limited | 44.84 | 165.00 | 17 August 2023 | 181.40 | (3.72%) 4.72% | (17.56) % 1.81% | N.A. |
| 3. | Cellecor Gadgets Limited | 50.77 | 92.00 | 28 September 2023 | 96.00 | 120.81% (2.44) % | N.A. | N.A. |
| 4. | Inspire Films Limited | 21.23 | 59.00 | 05 October 2023 | 67.85 | (4.50) % (1.60) % | N.A. | N.A. |
| 5. | Womancart Limited | 9.56 | 86.00 | 27 October 2023 | 122.85 | 37.00% 3.92% | N.A. | N.A. |

TABLE 2

Summary Statement of Disclosure

| Financial Year | Total no. of IPOs | Total Amount of Funds raised (Rs. Cr.) | No. of IPOs trading at discount-30th calendar days from listing | | | No. of IPOs trading at premium-30th calendar days from listing | | | No. of IPOs trading at discount-180th calendar days from listing | | | No. of IPOs trading at premium-180th calendar days from listing | | |
|----------------|-------------------|--|---|----------------|---------------|--|----------------|---------------|--|----------------|---------------|---|----------------|---------------|
| | | | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% |
| 2023-24 | 5 | 170.59 | - | - | 2 | 1 | 1 | 1 | - | - | - | - | - | - |

LISTING

Application will be made to the NSE Limited for obtaining permission to deal in and for an official quotation of our Equity Shares. NSE Limited is the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The Emerge Platform of NSE Limited has given its in-principle approval for using its name in our Offer documents vide its letter no. NSE/LIST/2993 dated December 12, 2023.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the Emerge Platform of NSE Limited, our Company will forthwith repay, without interest, all moneys received from the Applicant in pursuance of the Red Herring Prospectus. If such money is not repaid within 4 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Offer Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 4 days, be liable to repay the money, with interest at the rate of 15 per cent per annum on application money, as prescribed under section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Emerge Platform of NSE Limited mentioned above are taken within six Working Days from the Offer Closing Date.

Impersonation

Attention of the Applicants is specifically drawn to the provisions of 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 Equity Shares have not been and will not be registered under the U.S Securities Act of 1933, as amended (U.S. Securities Act) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S Persons (as defined in Regulation S), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transaction in reliance on Regulation S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

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

CONSENTS

Consents in writing of:(a) the Directors, Statutory Auditor & Peer Reviewed Auditor, the Company Secretary & Compliance Officer, Chief Financial Officer, Banker to the Company and (b) BRLM, Market Maker, Registrar to the Issue, Public Issue Bank / Banker to the Issue and Refund Banker to the Issue, Legal Advisor to the Issue to act in their respective capacities have been/or will be obtained (before filing Red Herring prospectus to ROC) and will be filed along with a copy of the Red Herring Prospectus/ Prospectus with the RoC, as required under Section 26 of the Companies Act and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

Our Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus and such consent and report is not withdrawn up to the time of delivery of this Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus with NSE.

EXPERT OPINION

Except the report of the Peer Review Auditor on (a) the restated financial statements; (b) statement of tax benefits, Audit reports by Peer Review Auditors for stub period ended on 31st July 2023, and year ended on 31st March 2023, 31st March 2022 and 2021, our Company has not obtained any other expert opinion. All the intermediaries including Merchant Banker has relied upon the appropriacy and authenticity of the same.

PREVIOUS RIGHTS AND PUBLIC ISSUES SINCE INCORPORATION

We have not made any previous rights and/or public issues since incorporation and are an Unlisted Issuer in terms of the SEBI (ICDR) Regulations and this Issue is an Initial Public Offering in terms of the SEBI (ICDR) Regulations.

PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH

Other than as detailed under chapter titled “Capital Structure” beginning on page 57 of the Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

COMMISSION AND BROKERAGE ON PREVIOUS ISSUES

Since this is the IPO of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares in the five years preceding the date of this Prospectus.

PREVIOUS CAPITAL ISSUE DURING THE PREVIOUS THREE YEARS BY LISTED SUBSIDIARIES, GROUP COMPANIES AND ASSOCIATES OF OUR COMPANY

None of our Group Companies and Associates are listed and have undertaken any public or rights issue in the three (3) years preceding the date of this Prospectus. Further, as on the date of this Prospectus our company has no Listed Subsidiary.

PERFORMANCE VIS-À-VIS OBJECTS – PUBLIC/RIGHTS ISSUE OF THE LISTED SUBSIDIARIES OF OUR COMPANY

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations and this Offer is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Therefore, data regarding performance vis-à-vis objects is not applicable to us. Further, as on date of this Prospectus our Company has no listed corporate promoters and no listed subsidiary company.

OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY

As on the date of the Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

OPTION TO SUBSCRIBE

Equity Shares being offered through this Prospectus can be applied for in dematerialized form only.

STOCK MARKET DATA FOR OUR EQUITY SHARES

Our Company is an Unlisted Issuer in terms of the SEBI (ICDR) Regulations, and this Offer is an Initial Public Offering in terms of the SEBI (ICDR) Regulations. Thus, there is no stock market data available for the Equity Shares of our Company.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Memorandum of Understanding between the Registrar and us will provide for retention of records with the Registrar for a period of at least one year from the last date of dispatch of the letters of allotment, demat credit and refund orders to enable the investors to approach the Registrar to this Issue for redressal of their grievances.

All grievances relating to this Offer may be addressed to the Registrar with a copy to the Company Secretary and Compliance Officer, giving full details such as the name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection center of the SCSB where the Bid-cum-Application Form was submitted by the ASBA Applicant.

Further, none of our subsidiary companies or Group Companies are listed on any stock exchange, so disclosure regarding mechanism for redressal of investor grievances for our subsidiary companies are not applicable.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company or the Registrar to the Offer or the SCSB in case of ASBA Applicant shall redress routine investor grievances. We estimate that the average time required by us or the Registrar to this Offer for the redressal of routine investor grievances will be 12 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Ms. Priyanka Bansal as the Company Secretary and Compliance Officer and may be contacted at the following address:

SUPREME POWER EQUIPMENT LIMITED

No.55, SIDCO Industrial Estate, Thirumazhisai, Thiruvallur Chennai Tamil Nadu- 600124.

Tel.: 022- 46095834; Fax: N.A.

E-mail: cs@supremepower.in

Website: www.supremepower.in

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any pre-Offeror post-Offer related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or refund orders, *etc.*

This space is left blank intentionally.

SECTION VIII – ISSUE INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued pursuant to this issue shall be subject to the provision of the Companies Act, SEBI (ICDR) Regulations, 2018, SCRA, SCRR, Memorandum and Articles, the terms of the Prospectus, Red Herring Prospectus, Prospectus, Abridged Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note (CAN) and other terms and conditions as may be incorporated in the Allotment advices and other documents/ certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, the Government of India, NSE, ROC, RBI and / or other authorities, as in force on the date of the Issue and to the extent applicable.

Please note that, in accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (Except Anchor investors) applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment. Further, further in terms of SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, and as modified through its circular SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, in relation to clarifications on streamlining the process of public issue of equity shares and convertibles it has proposed to introduce an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. Currently, for application by RIIs through Designated Intermediaries, the existing process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds is discontinued and RIIs submitting their Application Forms through Designated Intermediaries (other than SCSBs) can only use the UPI mechanism with existing timeline of T+6 days until March 31, 2020. Further SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 has decided to continue with the Phase II of the UPI ASBA till further notice.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.

The Offer

The Offer consists of a Fresh Issue by our Company. Expenses for the Offer shall be Borne by our Company in the manner specified in “Objects of the Issue” on page 76 of this Prospectus.

Ranking of Equity Shares

The Equity Shares being Offered/Allotted in the Issue shall be subject to the provisions of the Companies Act, 2013 and the Memorandum & Articles of Association, SEBI ICDR Regulations and shall rank pari-passu with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees upon receipt of Allotment of Equity Shares under this issue will be entitled to dividends, Voting Power and other corporate benefits, if any, declared by our Company after the date of allotment in accordance with Companies Act, 2013 and the Articles of Association of the Company.

Authority for the Issue

This Issue has been authorized by a resolution of the Board passed at their meeting held on September 04, 2023 subject to the approval of shareholders through a special resolution to be passed pursuant to section 62 (1) (c) of the Companies Act, 2013. The shareholders have authorized the Issue by a special resolution in accordance with Section 62 (1) (c) of the Companies Act, 2013 passed at the Annual General Meeting of the Company held on September 29, 2023.

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013 and recommended by the Board of Directors at their discretion and approved by the shareholders and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act, 2013. Dividends, if any, declared by our Company after the date of Allotment will be payable to the transferee who have been Allotted Equity Shares in the Offer, for the entire year, in accordance with applicable laws. For further details, please refer to the chapter titled Dividend Policy beginning on pages 179 of this Prospectus.

Face Value and Issue Price

The face value of each Equity Share is Rs. 10/- and the Offer Price at the lower end of the Price Band is Rs. 61 /- per Equity Share and at the higher end of the Price Band is Rs. 65/- per Equity Share. The Anchor Investor Offer Price is Rs. 65/- per Equity Share.

The Price Band and the Bid Lot will be decided by our Company, in consultation with the BRLM, and published by our Company in English edition of Financial Express (a widely circulated English national daily newspaper) and Hindi edition of Jansatta (a widely circulated Hindi national daily newspaper and Tamil edition of Hindu Tamil Thisai being the regional language of Chennai, where our Registered Office is located) at least two Working Days prior to the Bid/Offer Opening Date, and shall be made available to the Stock Exchange for the purpose of uploading the same on their website. 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 at the website of the Stock Exchange. The Offer Price shall be determined by our Company, in consultation with the BRLM, after the Bid/Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of the 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 the disclosure and accounting norms

Our Company shall comply with all the applicable disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholder

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or e-voting, in accordance with the provisions of the Companies Act;
- Right to receive annual reports and notices to members;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws and regulations; and the Articles of Association of our Company; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act and the Memorandum and Articles of Association of the Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see “Main Provisions of Articles of Association” on page 327 of this Prospectus.

Allotment only in Dematerialized form

Pursuant to Section 29 of the Companies Act, the Equity Shares shall be Allotted only in dematerialized form. As per SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form. In this context, two agreements have been signed by our Company with the respective Depositories and the Registrar to the Issue before filing this Prospectus:

- Tripartite agreement dated July 10, 2023 among CDSL, our Company and the Registrar to the Issue; and
- Tripartite agreement dated July 10, 2023 among NSDL, our Company and the Registrar to the Issue.

As per the provisions of the Depositories Act, 1996 & regulations made there under and Section 29 (1) of the Companies Act, 2013, the equity shares of a body corporate shall be in dematerialized form i.e. not in the form of physical certificates, but be fungible and be represented by the statement issued through electronic mode. The trading of the Equity Shares will happen in the minimum contract size of 2000 Equity Shares and the same may be modified by the NSE Limited from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of 2000 Equity Shares subject to a minimum allotment of 2000 Equity Shares to the successful Applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Minimum Application value, Market Lot and Trading Lot

In accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 1,00,000/- (Rupees One Lakh) per application.

The trading of the Equity Shares will happen in the minimum contract size of 2000 Equity Shares and the same may be modified by the EMERGE Platform of NSE from time to time by giving prior notice to investors at large. For further details, see “Issue Procedure” on page 290 of this Prospectus.

Minimum Number of Allottees

Further in accordance with Regulation 268(1) of SEBI ICDR Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and all the monies blocked by SCSBs shall be unblocked within four (4) working days of closure of Issue.

Joint Holders

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint holders with benefits of survivorship.

Jurisdiction

Exclusive Jurisdiction for the purpose of this Issue is with the competent courts/authorities in India.

The Equity Share have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be issued or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being issued and sold only outside the United States in off-shore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those issues and sales occur.

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

Nomination Facility to the Investor

In accordance with Section 72 of the Companies Act, 2013, read with Companies (Share Capital and Debentures) Rules, 2014, the sole Applicant, or the first Applicant along with other joint Applicants, may nominate any one person in whom, in the event of the death of sole Applicant or in case of joint Applicants, death of all the Applicants, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A buyer will be titled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or Corporate Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act shall upon production of such evidence, as may be required by the Board, elect either:

1. to register himself or herself as the holder of the equity shares; or
2. to make such transfer of the equity shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the equity shares, and if the notice is not complied with within a period of ninety (90) days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the equity shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the Applicants require changing of their nomination, they are requested to inform their respective depository participant.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for the lock-in of the pre-Issue capital of our Company, Promoters' minimum contribution as provided in "Capital Structure" on page 57 of this Prospectus and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, please refer "Main Provisions of Articles of Association" on page 327 of this Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated herein above. Our Company and the BRLM are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

Arrangements for Disposal of Odd Lots

The trading of the Equity Shares will happen in the minimum contract size of 2000 shares in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, in terms of Regulation 261(5) of the SEBI ICDR Regulations, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the EMERGE platform of NSE.

New Financial Instruments

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company. Application by eligible NRIs, FPIs Registered with SEBI, VCFs, AIFs registered with SEBI and QFIs. It is to be understood that there is no reservation for Eligible NRIs or FPIs or QFIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, QFIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

Withdrawal of the Issue

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Issue after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The BRLM

through, the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA applicant within one (1) Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an issue/issue for sale of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with Stock Exchange.

Minimum Subscription

This Offer is not restricted to any minimum subscription level. This Offer is 100% underwritten. If the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriter within sixty days from the date of closure of the Offer, the Issuer shall forthwith refund the entire subscription amount received within the time limit as prescribed under the SEBI (ICDR) Regulations and Companies Act, 2013.

In terms of Regulation 272(2) of SEBI ICDR Regulations, in case the issuer fails to obtain listing or trading permission from the stock exchanges where the specified securities were to be listed, it shall refund through verifiable means the entire monies received within four (4) days of receipt of intimation from stock exchanges rejecting the application for listing of specified securities, and if any such money is not repaid within four (4) days after the issuer becomes liable to repay it the issuer and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent. per annum.

In terms of Regulation 260 of the SEBI ICDR Regulations, 2018, the Issue is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled “General Information” on page 49 of this Prospectus.

Further, in accordance with Regulation 267 of the SEBI ICDR Regulations, 2018, the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

Further, in accordance with Regulation 268 of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 50 (Fifty).

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.

Period of Subscription List of the Public Issue

| Event | Indicative Date |
|--|------------------------|
| Offer Opening Date | December 21, 2023 |
| Offer Closing Date | December 26, 2023 |
| Finalization of Basis of Allotment with the Designated Stock Exchange | December 27, 2023 |
| Initiation of Allotment/ Refunds/ Unblocking of Funds from ASBA Account or UPI ID linked bank account* | December 28, 2023 |
| Credit of Equity Shares to Demat Accounts of Allottees | December 28, 2023 |
| Commencement of trading of the Equity Shares on the Stock Exchange | December 29, 2023 |

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

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

**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/Offer Closing Date for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated in accordance with applicable law by the intermediary responsible for causing such delay in unblocking, for which period shall start from the day following the receipt of a complaint from the Bidder. 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 SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 shall be deemed to be incorporated in the deemed agreement of the Bank with the SCSBs to the extent applicable, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of our Company with the SCSBs, to the extent applicable.*

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with 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/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

Bids and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Bidding Centers mentioned in the Bid cum Application Form.

Standardization of cut-off time for uploading of bids on the Bid/Issue closing date:

- i. A standard cut-off time of 3.00 p.m. for acceptance of bids.
- ii. A standard cut-off time of 4.00 p.m. for uploading of bids received from other than retail individual applicants.
- iii. A standard cut-off time of 5.00 p.m. for uploading of bids received from only retail individual applicants, which may be extended up to such time as deemed fit by National Stock Exchange of India Limited after taking into account the total number of bids received up to the closure of timings and reported by BRLM to National Stock Exchange of India Limited within half an hour of such closure.

It is clarified that Bids not uploaded in the book, would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular bidder, the details as per physical bid cum application form of that Bidder may be taken as the final data for the purpose of allotment. Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Migration to Main Board

In accordance with the National Stock Exchange of India Limited Circular dated March 10, 2014, our Company will have to be mandatorily listed and traded on the Emerge Platform of the NSE for a minimum period of 2 (Two) years from the date of listing and only after that it can migrate to the Main Board of National Stock Exchange of India Limited as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI (ICDR) Regulations. Our company may migrate to the main board of NSE Limited at a later date subject to the following:

- a. *If the Paid-up Capital of our Company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in- principal approval from the main board), our Company shall apply to NSE Limited for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.*

OR

- b. *If the paid-up Capital of our company is more than Rs. 10 Crores but below Rs. 25Crores, our Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.*

Market Making

The shares issued and transferred through this Offer are proposed to be listed on the Emerge Platform of NSE Limited with compulsory market making through the registered Market Maker of the Emerge Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on the Emerge Platform of NSE Limited. For further details of the market making arrangement please refer to chapter titled General Information beginning on page 49 of this Prospectus.

Option to receive securities in Dematerialized Form

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

ISSUE PROCEDURE

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and the BRLM would not be liable for any amendment, modification or change in applicable law, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that their applications are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Prospectus.

All Applicants shall review 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 notified by SEBI, suitably modified from time to time, if any, and the UPI Circulars (“General Information Document”), highlighting the key rules, procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, and the SEBI Regulations. The General Information Document will also be available on the websites of the Stock Exchange and the BRLM, before opening of the Issue. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) Category of investor eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) Allocation of shares; (iii) Payment Instructions for ASBA Applicants; (iv) Issuance of CAN and Allotment in the Offer; (v) General instructions (limited to instructions for completing the Application Form); (vi) Submission of Application Form; (vii) Other Instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (viii) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (vi) mode of making refunds; and (vii) interest in case of delay in Allotment or refund.

The 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, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 01, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase-I was effective till June 30, 2019.

Subsequently, for applications by Retail Individual Investors through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism with existing timeline of T+6 days is applicable for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”), with effect from July 1, 2019, by SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, read with circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019. Further, as per the SEBI circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the UPI Phase II had been extended until March 31, 2020. However, due to the outbreak of COVID-19 pandemic, UPI Phase II has been further extended by SEBI until further notice, by its circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020. Thereafter, the final reduced timeline of T+3 days may be made effective using the UPI Mechanism for applications by Retail Individual Investors (“UPI Phase III”), as may be prescribed by SEBI. Accordingly, the Offer has been undertaken under UPI Phase II, till any further notice issued by SEBI.

SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 effective to public issues opening on or after from May 01, 2021. However, said circular has been modified pursuant to SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in which certain applicable procedure w.r.t. SMS Alerts, Web portal to CUG etc. shall be applicable to Public Issue opening on or after January 1, 2022 and October 1, 2021 respectively and the provisions of this circular, as amended, are deemed to form part of this Prospectus. Additionally, SEBI vide its circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 has reduced the time period for refund of application monies from 15 days to four days. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all UPI Bidders in initial public offerings (opening on or after May 01, 2022) whose application sizes are up to Rs. 5,00,000/- shall use the UPI Mechanism.

The list of Banks that have been notified by SEBI as Issuer Banks for UPI are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. The list of Stock Brokers, Depository Participants (DP), Registrar to an Issue and Share Transfer Agent (RTA) that have been notified by NSE to act as intermediaries for submitting Application Forms are provided on www.nseindia.com For details on their designated branches for submitting Application Forms, please see the above mentioned website of NSE.

ASBA Applicants are required to submit ASBA Applications to the selected branches / offices of the RTAs, DPs, Designated Bank Branches of SCSBs. The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link. The list of Stock Brokers, Depository Participants (“DP”), Registrar to an Issue and Share Transfer Agent (“RTA”) that have been notified by NSE to act as intermediaries for submitting Application Forms are provided on <http://www.nseindia.com>. For details on their designated branches for submitting Application Forms, please refer the above mentioned NSE website.

Our Company, the Promoter and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and 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 Prospectus. Bidders are advised 167 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 the Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus.

BOOK BUILT 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 253 of the SEBI ICDR Regulations wherein not more than 50.00% of the Issue shall be allocated on a proportionate basis to QIBs, provided that our Company may, in consultation with the BRLM, allocate up to 60.00% 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, or non-allotment in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5.00% of the QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15.00% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35.00% of the Offer shall be available for

allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the offer Price.

Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Issue Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spillover from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchange.

Investors should note that according to Section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialized form. It is mandatory to furnish the details of Applicant's depository account along with Application Form. The Application Forms which do not have the details of the Applicants' depository account, including the DP ID Numbers and the beneficiary account number shall be treated as incomplete and rejected. Application Forms which do not have the details of the Applicants' PAN, (other than Applications made on behalf of the Central and the State Governments, residents of the state of Sikkim and official appointed by the courts) shall be treated as incomplete and are liable to be rejected. Applicants will not have the option of being Allotted Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialised segment of the Stock Exchanges. However, investors may get the specified securities rematerialized subsequent to allotment.

AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS

The Memorandum containing the salient features of the Prospectus together with the Application Forms and copies of the Draft Red Herring Prospectus/ Red Herring Prospectus/ Abridged Prospectus/ Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the BRLM to the Issue, Registrar to the Issue as mentioned in the Application form. The application forms may also be downloaded from the website of NSE i.e. www.nseindia.com. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Red Herring Prospectus. All the applicants shall have to apply only through the ASBA process. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking of funds that are available in the bank account specified in the Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Red Herring Prospectus. The Application Form shall contain space for indicating number of specified securities subscribed for in demat form.

PHASED IMPLEMENTATION OF UNIFIED PAYMENTS INTERFACE

SEBI has issued UPI Circulars in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI will be introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIIs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the UPI Circulars proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

- a. Phase I: This phase was applicable from January 01, 2019 and lasted till June 30, 2019. Under this phase, a Retail Individual applicant, besides the modes of Bidding available prior to the UPI Circulars, also had the option to submit the Bid cum Application Form with any of the intermediary and use his / her UPI ID for the

purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

- b. Phase II: This phase commenced on completion of Phase I i.e. with effect from July 1, 2019 and was to be continued for a period of three months or launch of five main board public issues, whichever is later. Further, as per the SEBI circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, the UPI Phase II has been extended until March 31, 2020. Further still, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount be continued till further notice. Under this phase, submission of the Application Form by a Retail Individual Applicant through intermediaries to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public issue closure to listing would continue to be six Working Days during this phase.
- c. Phase III: The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing would be reduced to be three Working Days. Accordingly, upon commencement of Phase III, the reduced time duration shall be applicable for the Issue.

All SCSBs offering the facility of making applications in public issues are required to provide a facility to make applications using the UPI Mechanism. Further, in accordance with the UPI Circulars, our Company has appointed Yes Bank as the Sponsor Bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Investors into the UPI mechanism.

Pursuant to the UPI Circular, 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 – Offer BRLM will be required to compensate the concerned investor.

SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to Rs. 5,00,000, shall use UPI. Individual investors bidding under the Non-Institutional Portion bidding for more than Rs. 200,000 and up to Rs. 5,00,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

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 2, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

For further details, refer to the “General Information Document” available on the websites of the Stock Exchange 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 the Bidding Centres, and our Registered and Corporate Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of NSE (www.nseindia.com) at least one day prior to the Bid/Offer Opening Date.

Copies of the Anchor Investor Application Form will be available at the office of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. Anchor Investors are not permitted to participate in the Offer through the ASBA process. The Retail Bidding in the Retail Portion can additionally Bid through the UPI Mechanism.

A Retail Individual Investor making applications using the UPI Mechanism shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application in the Issue. The SCSBs, upon receipt of the Application Form will upload the Bid details along with the UPI ID in the bidding platform of the Stock Exchange. Applications made by the Retail Individual Investors using third party bank accounts or using UPI IDs linked to the bank accounts of any third parties are liable for rejection. The Bankers to the Issue shall provide the investors' UPI linked bank account details to the RTA for the purpose of reconciliation. Post uploading of the Bid details on the bidding platform, the Stock Exchanges will validate the PAN and demat account details of Retail Individual Investors with the Depositories.

ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking funds that are available in the bank account specified in the Application Form used by ASBA applicants.

ASBA Bidders (other than RIBs using UPI Mechanism) must provide bank account details and authorization to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. RIBs Bidding in the Retail Portion using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorizing an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable at the time of submitting the Bid.

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Prospectus.

The prescribed colour of the Application Form for various categories is as follows:

| Category | Colour of Application Form |
|--|----------------------------|
| Resident Indians, including resident QIBs, Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis | [•] |

| | |
|---|-----|
| Non-Residents including Eligible NRIs, FVCIs, FPIs, registered multilateral and bilateral development financial institutions applying on a repatriation basis | [•] |
| Anchor Investors | [•] |

**Excluding electronic Bid cum Application Form*

Note:

- ◆ Details of depository account are mandatory and applications without depository account shall be treated as incomplete and rejected. Investors will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities re-materialised subsequent to allotment.
- ◆ The shares of the Company, on allotment, shall be traded on stock exchanges in demat mode only.
- ◆ Single bid from any investor shall not exceed the investment limit/maximum number of specified securities that can be held by such investor under the relevant regulations/statutory guidelines.
- ◆ The correct procedure for applications by Hindu Undivided Families and applications by Hindu Undivided Families would be treated as on par with applications by individuals;

ELECTRONIC REGISTRATION OF BIDS

- a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchange. 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 Offer.
- b) On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchange and as disclosed in the Prospectus.
- c) Only Bids that are uploaded on the Stock Exchange Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the next Working Day following the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

SUBMISSION AND ACCEPTANCE OF APPLICATION FORMS

Applicants are required to submit their applications only through any of the following Application Collecting Intermediaries:

- a. An SCSB, with whom the bank account to be blocked, is maintained;
- b. A syndicate member (or sub-syndicate member);
- c. A stockbroker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (broker);
- d. A depository participant (DP) (Whose name is mentioned on the website of the stock exchange as eligible for this activity);
- e. A registrar to an issuer and share transfer agent (RTA) (Whose name is mentioned on the website of the stock exchange as eligible for this activity)

The intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

| | |
|--|--|
| For Applications submitted by investorsto SCSB: | After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified. |
| For Applications submitted by investorsto intermediaries otherthan SCSBs: | After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue. |
| For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment: | <p>After accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange.</p> <p>Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds.</p> <p>Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.</p> |

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Applicants have deemed to have authorised our Company to make the necessary changes in the Red Herring Prospectus, without prior or subsequent notice of such changes to the Applicants.

WHO CAN APPLY?

Persons eligible to invest under all applicable laws, rules, regulations and guidelines: -

- Indian nationals resident in India who are not incompetent to contract in single or joint names (not more than three) or in the names of minors as natural/legal guardian;
- Hindu Undivided Families or HUFs, in the individual name of the Karta. The applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
- Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- Mutual Funds registered with SEBI;
- Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
- Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals only under the Non-Institutional applicants category;

- Venture Capital Funds registered with SEBI;
- Foreign Venture Capital Investors registered with SEBI;
- State Industrial Development Corporations;
- Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- Provident Funds with minimum corpus of Rs.2,500 Lakh and who are authorized under their constitution to hold and invest in equity shares;
- Pension Funds with minimum corpus of Rs.2,500 Lakh and who are authorized under their constitution to hold and invest in equity shares;
- Multilateral and Bilateral Development Financial Institutions;
- National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- Insurance funds set up and managed by army, navy or air force of the Union of India
- Any other person eligible to applying in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

As per the existing regulations, OCBs cannot participate in this Issue.

PARTICIPATION BY ASSOCIATES OF BRLM

The BRLM shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the BRLM may subscribe to Equity Shares in the Issue, either in the QIB Portion and Non-Institutional Portion where the allotment is on a proportionate basis. All categories of Applicants, including associates and affiliates of the BRLM, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS

The Memorandum Form 2A containing the salient features of the Red Herring Prospectus together with the Application Forms and copies of the Red Herring Prospectus may be obtained from the Registered Office of our Company, BRLM to the Issue and The Registrar to the Issue as mentioned in the Application Form. The application forms may also be downloaded from the website of NSE Limited i.e <https://www.nseindia.com>.

OPTION TO SUBSCRIBE IN THE ISSUE

- a) As per Section 29(1) of the Companies Act 2013, Investors will get the allotment of Equity Shares in dematerialization form only.
- b) The Equity Shares, on allotment, shall be traded on Stock Exchange in demat segment only.
- c) In a single Application Form any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRIs

Application must be made only in the names of individuals, limited companies or Statutory

Corporations/institutions and not in the names of minors, foreign nationals, non-residents (except for those applying on non-repatriation), trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu Undivided Families, partnership firms or their nominees. In case of HUF's application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public.

APPLICATION BY MUTUAL FUNDS

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to reject any application without assigning any reason thereof. Applications made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Applications are made. As per the current regulations, the following restrictions are applicable for investments by mutual funds.

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any single Company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific funds/Schemes. No mutual fund under all its schemes should own more than 10% of any Company's paid up share capital carrying voting rights.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

The Application made by Asset Management Companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

APPLICATIONS BY ELIGIBLE NRI

Eligible NRIs may obtain copies of Application Form from the members of the Syndicate, the sub- Syndicate, if applicable, the SCSBs, the Registered Brokers, RTAs and CDPs. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Application Form.

Bids by Eligible NRIs and Category III FPIs for a Bid Amount of less than Rs. 2,00,000 would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding Rs. 2,00,000 would be considered under the Non-Institutional Category for allocation in the Offer.

In case of Eligible NRIs bidding under the Retail Category through the UPI mechanism, depending on the nature of the investment whether repatriable or non-repatriable, the Eligible NRI may mention the appropriate UPI ID in respect of the NRE account or the NRO account, in the Application Form.

Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated May 03, 2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to

file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 (thirty) days from the date of issue of shares of allotment to NRIs on repatriation basis. Allotment of Equity shares to non-residents Indians shall be subject to the prevailing Reserve Bank of India guidelines. Sale proceeds of such investments in equity shares will be allowed to be repatriated along with an income thereon subject to permission of the RBI and subject to the Indian Tax Laws and Regulations and any other applicable laws. The company does not require approvals from FIPB or RBI for the issue of equity shares to eligible NRIs, FIIs, Foreign Venture Capital Investors registered with SEBI and multi-lateral and Bi-lateral development financial institutions.

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in color). Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for non-Residents (blue in color). For details of restrictions on investment by NRIs, please refer to the chapter titled “Restrictions on Foreign Ownership of Indian Securities” beginning on page 322 of this Prospectus.

APPLICATIONS BY ELIGIBLE FIIs/FPIs

In terms of the SEBI FPI Regulations, an FII who holds a valid certificate of registration from SEBI shall be deemed to be a registered FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations.

An FII or sub-account may, subject to payment of conversion fees under the SEBI FPI Regulations participate in the Issue until the expiry of its registration with SEBI as an FII or sub-account, or if it has obtained a certificate of registration as an FPI, whichever is earlier. Accordingly, such FIIs can, subject to the payment of conversion fees under the SEBI FPI Regulations, participate in this Offer in accordance with Schedule 2 of the FEMA Regulations. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In terms of the SEBI FPI Regulations, the purchase of Equity Shares and total holding by a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included.

Further, pursuant to the Master Directions on Foreign Investment in India issued by the RBI dated January 4, 2018 (updated as on March 8, 2019) the investments made by a SEBI registered FPI in a listed Indian company will be reclassified as FDI if the total shareholding of such FPI increases to more than 10% of the total paid-up equity share capital on a fully diluted basis or 10% or more of the paid up value of each series of debentures or preference shares or warrants.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio investor and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue, subscribe to or otherwise deal in offshore derivative

instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client' norms. Further, pursuant to a Circular dated November 24, 2014 issued by the SEBI, FPIs are permitted to issue offshore derivative instruments only to subscribers that (i) meet the eligibility criteria set forth in Regulation 4 of the SEBI FPI Regulations; and (ii) do not have opaque structures, as defined under the SEBI FPI Regulations. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority. Further, where an investor has investments as FPI and also holds positions as an overseas direct investment subscriber, investment restrictions under the SEBI FPI Regulations shall apply on the aggregate of FPI investments and overseas direct investment positions held in the underlying Indian company.

FPIs who wish to participate in the Offer are advised to use the Application Form for Non-Residents (blue in color). FPIs are required to apply through the ASBA process to participate in the Offer.

APPLICATIONS BY SEBI REGISTERED ALTERNATIVE INVESTMENT FUND (AIF), VENTURECAPITAL FUNDS AND FOREIGN VENTURE CAPITAL INVESTORS

The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended, (the "SEBI VCF Regulations") and the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended, among other things prescribe the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 (the "SEBI AIF Regulations") prescribe, amongst others, the investment restrictions on AIFs.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends, and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the BRLM will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS

In case of applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof. Limited Liability Partnerships can participate in the issue only through the ASBA Process.

APPLICATIONS BY INSURANCE COMPANIES

In case of applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended (the IRDA Investment Regulations), are broadly set forth below:

1. Equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
2. The entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
3. The industry sector in which the investee company belong to not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be. Insurance companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

The above limit of 10.00% shall stand substituted as 15.00% of outstanding equity shares (face value) for insurance companies with investment assets of Rs. 2,500,000 million or more and 12.00% of outstanding equity shares (face value) for insurers with investment assets of Rs. 500,000.00 million or more but less than Rs. 2,500,000.00 million.

Insurance companies participating in this Issue, shall comply with all applicable regulations, guidelines and circulars issued by IRDA from time to time.

APPLICATIONS BY BANKING COMPANIES

Applications by Banking Companies: In case of Applications made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form, failing which our Company reserves the right to reject any Application without assigning any reason. The investment limit for banking companies in non-financial services Companies as per the Banking Regulation Act, 1949, and the Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the aggregate investment in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee Company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

Applications by SCSBs: SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 02, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

APPLICATION BY PROVIDENT FUNDS/ PENSION FUNDS

In case of applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of Rs. 2,500 Lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

BIDS BY ANCHOR INVESTORS

Our Company in consultation with the BRLM, may consider participation by Anchor Investors in the Issue for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

1. Anchor Investor Application Forms will be made available for the Anchor Investors at the offices of the BRLM.
2. The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least 200.00 lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of 200.00 lakhs.
3. One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
4. Bidding for Anchor Investors will open one Working Day before the Bid/ Issue Opening Date and be completed on the same day.
5. Our Company in consultation with the BRLM, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
 - where allocation in the Anchor Investor Portion is up to 200.00 Lakhs, maximum of 2 (two) Anchor Investors.
 - where the allocation under the Anchor Investor Portion is more than 200.00 Lakhs but upto 2500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor; and
 - where the allocation under the Anchor Investor portion is more than 2500.00 Lakhs:(i)minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto2500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of 2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor.
6. Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Issue Period. The number of

Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/Issue Opening Date, through intimation to the Stock Exchange.

7. Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
8. If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/ Issue Closing Date. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.
9. At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.
10. Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period 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.
11. The BRLM, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection byes.
12. Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
13. Anchor Investors are not permitted to Bid in the Issue through the ASBA process.

APPLICATION UNDER POWER OF ATTORNEY

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 Lakhs a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

In addition to the above, certain additional documents are required to be submitted by the following entities:

- (a) With respect to applications by VCFs, FVCIs, FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- (b) With respect to applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged with the Application Form as applicable. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- (c) With respect to applications made by provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 Lakhs, a certified copy of a certificate

from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject such application, in whole or in part, in either case without assigning any reasons thereof.

Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that our Company, the BRLM may deem fit.

Our Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of mailing of the Allotment Advice / CANs / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories.

The above information is given for the benefit of the Applicants. The Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

MAXIMUM AND MINIMUM APPLICATION SIZE

a) For Retail Individual Applicants

The Application must be for a minimum of 2000 Equity Shares and in multiples of 2000 Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed Rs. 2,00,000. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed Rs. 2,00,000.

b) For Other Applicants (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds Rs. 2,00,000 and in multiples of 2000 Equity Shares thereafter. An Application cannot be submitted for more than the Net Offer Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Offer Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.

The above information is given for the benefit of the Applicants. The Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

INFORMATION FOR THE APPLICANTS:

- a) Our Company will file a copy of Red Herring Prospectus with the Registrar of Companies, Chennai, atleast 3 (three) days before the Issue Opening Date.
- b) Any investor (who is eligible to invest in our Equity Shares) who would like to obtain the Red Herring Prospectus and/or the Application Form can obtain the same from our Registered Office or from the office of the BRLM.
- c) Applicants who are interested in subscribing for the Equity Shares should approach the BRLM or their authorized agent(s) to register their applications.
- d) Applications made in the name of minors and/ or their nominees shall not be accepted.

INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM

The Bids should be submitted on the prescribed Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid cum application form. Bids not so made are liable to be rejected. ASBA Application Forms should bear the stamp of the SCSB's. ASBA Application Forms, which do not bear the stamp of the SCSB, will be rejected.

Applicants residing at places where the designated branches of the Banker to the Issue are not located may submit/mail their applications at their sole risk along with Demand payable at Mumbai.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit application forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of NSE Limited i.e. www.nseindia.com.

BIDDER'S DEPOSITORY ACCOUNT AND BANK DETAILS

Please note that, providing bank account details in the space provided in the Bid cum application form is mandatory and Bids that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid cum Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Bidders' bank account details, MICR code and occupation (hereinafter referred to as Demographic Details'). Bidders should carefully fill in their Depository Account details in the Bid cum Application Form.

These Demographic Details would be used for all correspondence with the Bidders including mailing of the CANs / Allocation Advice. The Demographic Details given by Bidders in the Bid cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid Cum Application Form, the Bidders would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

SUBMISSION OF BIDS

- I. During the Bid/ Offer Period, Bidders may approach any of the Designated Intermediaries to register their Bids.
- II. In case of Bidders (excluding NIIs) Bidding at Cut-off Price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
- III. For Details of the timing on acceptance and upload of Bids in the Stock Exchange Platform Bidders are requested to refer to the Red Herring Prospectus.

BASIS OF ALLOTMENT

Allotment will be made in consultation with the NSE. In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category X number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
 - a) For applications where the proportionate allotment works out to less than 2000 equity shares the allotment will be made as follows:
 1. Each successful applicant shall be allotted 2000 equity shares; and
 2. The successful applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
 - b) If the proportionate allotment to an applicant works out to a number that is not a multiple of 2000 equity shares, the applicant would be allotted Shares by rounding off to the nearest multiple of 2000 equity shares subject to a minimum allotment of 2000 equity shares.
 - c) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of 2000 equity shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in this Prospectus.
 - d) The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below:
 1. As the retail individual investor category is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.

2. The balance net offer of shares to the public shall be made available for allotment to
 - a) Individual applicants other than retails individual investors and
 - b) Other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
3. The unsubscribed portion of the net offer to any one of the categories specified in a) or b) shall/maybe made available for allocation to applicants in the other category, if so required.

Retail Individual Investor' means an investor who applies for shares of value of not more than Rs. 2,00,000/. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE.

The Executive Director / Managing Director of NSE – the Designated Stock Exchange in addition to BRLM and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

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 Exchange 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, the BRLM are cleared or approved by the Stock Exchange; 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 the Red Herring Prospectus or the Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

GENERAL INSTRUCTIONS

Do's:

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about Depository Participant and Beneficiary Account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- All Bidders should submit their Bids through the ASBA process only
- Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre
- 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 Application Form;
- Bidders (other than RIIs bidding through the non-UPI Mechanism) should submit the Application Form only at the Bidding Centers, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the CRTA at the Designated RTA Locations or CDP at the Designated CDP Locations. RIIs bidding through the non-UPI Mechanism should either submit the physical Application Form with the SCSBs or Designated Branches of SCSBs under Channel I (described in the UPI Circulars) or submit the Application Form online using the facility of 3-in 1 type accounts under Channel II (described in the UPI Circulars);
 - Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than RIBs using the UPI Mechanism) in the Application Form;
 - RIBs using the UPI Mechanism should ensure that the correct UPI ID (with maximum length of 45 characters including the handle) is mentioned in the Application Form;
 - RIBs using 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 the SEBI website. RIBs shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019;
 - RIBs bidding using the UPI Mechanism should ensure that they use only their own bank account linked UPI ID to make an application in the Offer;
 - RIBs submitting an Application Form using the UPI Mechanism, should ensure that: (a) the bank where the bank account linked to their UPI ID is maintained; and (b) the Mobile App and UPI handle being used for making the Bid is listed on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
 - RIBs submitting a Bid-cum Application Form to any Designated Intermediary (other than SCSBs) should ensure that only UPI ID is included in the Field Number 7: Payment Details in the Application Form;
 - RIBs using the UPI Mechanism shall ensure that the bank, with which it has its bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI;
 - If the first applicant is not the account holder, ensure that the Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
 - Ensure that the signature of the First Bidder in case of joint Bids, is included in the Application Forms
 - QIBs and Non-Institutional Bidders should submit their Bids through the ASBA process only. Pursuant to SEBI circular dated November 01, 2018 and July 26, 2019, RII shall submit their bid by using UPI mechanism for payment;
 - Ensure that the name(s) given in the 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 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 you request for and receive a stamped acknowledgement of the Application Form for all your Bid options;
 - Ensure that you have funds equal to the Bid Amount in the Bank Account maintained with the SCSB before submitting the Application Form under the ASBA process or application forms submitted by RIIs using UPI mechanism for payment, to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
 - Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
 - Bidders, other than RIBs using the UPI Mechanism, shall ensure that they have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries;

- Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the I.T. 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;
- Ensure that the Demographic Details are updated, true and correct in all respects;
- 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;
- Ensure that the category and the investor status is indicated;
- Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
- Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
- Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Application Form;
- Ensure that the Application Forms are delivered by the Bidders within the time prescribed as per the Application Form and the Red Herring Prospectus;
- Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Application Form;
- Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Offer;
- Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;
- Ensure that you have correctly signed the authorization/undertaking box in the 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 Application Form at the time of submission of the Bid;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- RIBs shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RIB may be deemed to have verified the attachment containing the application details of the RIB in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Application Form;
- RIBs shall ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank before 5:00 p.m. before the Bid / Offer Closing Date;
- RIBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorize blocking of funds equivalent to the revised Bid Amount in the

RIB's ASBA Account;

- RIBs using the UPI Mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised Mandate Request generated by the Sponsor Bank to authorize blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner; and
- Bids by Eligible NRIs and HUFs for a Bid Amount of less than Rs. 200,000 would be considered under the Retail Portion, and Bids for a Bid Amount exceeding Rs. 200,000 would be considered under the Non-Institutional Portion, for the purposes of allocation in the Offer.

The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, is liable to be rejected.

Don'ts:

- Do not apply for lower than the minimum Application size;
- Do not apply at a Price Different from the Price Mentioned herein or in the Application Form
- Do not pay the Application Price in cash, cheque, by money order or by postal order or by stock invest
- RIBs should not submit a Bid using the UPI Mechanism, unless the name of the bank where the bank account linked to your UPI ID is maintained, is listed on the website of the SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
- RIB should not submit a Bid using the UPI Mechanism, using a Mobile App or UPI handle, not listed on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
- Do not send Application Forms by post, instead submit the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company;
- Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not submit the application without ensuring that funds equivalent to the entire application Amount are blocked in the relevant ASBA Account;
- Do not apply for an Application Amount exceeding Rs. 2,00,000 (for applications by Retail Individual Applicants);
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Offer Size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the General Index Register number instead of the PAN as the application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer.
- Do not submit applications on plain paper or incomplete or illegible Application Forms in a color prescribed for another category of Applicant;
- All Investors submit their applications through the ASBA process only except as mentioned in SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 & SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021;
- Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.
- 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 RIB Bidders using the UPI Mechanism;

The Applications should be submitted on the prescribed Application Form is liable to be rejected if the above

instructions, as applicable, are not complied with

OTHER INSTRUCTIONS

Joint Applications in the case of Individuals

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

Multiple Applications

An Applicant should submit only one Application (and not more than one) for the total number of Equity Shares required. Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

- (i) All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications.
- (ii) Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
- (iii) Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of know your client norms by the depositories. The Company reserves the right to reject, in our absolute discretion, all or any multiple Applications in any or all categories.

After submitting an ASBA Application either in physical or electronic mode, an ASBA Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB. Submission of a second Application in such manner will be deemed a multiple Application and would be rejected. More than one ASBA Applicant may apply for Equity Shares using the same ASBA Account, provided that the SCSBs will not accept a total of more than five Application Forms with respect to any single ASBA Account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing

the same application number shall be treated as multiple applications and are liable to be rejected. The Company, in consultation with the BRLM reserves the right to reject, in its absolute discretion, all or any multiple applications in any or all categories. In this regard, the procedure which would be followed by the Registrar to the Issue to detect multiple applications is given below:

1. All Applications will be checked for common PAN. For Applicants other than Mutual Funds and FII subaccounts, Applications bearing the same PAN will be treated as multiple Applications and will be rejected.
2. For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

PERMANENT ACCOUNT NUMBER OR PAN

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number (PAN) to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 02, 2007. Each of the Applicants should mention his/her PAN allotted under the IT Act. **Bid submitted without this information will be considered incomplete and are liable to be rejected.** It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

RIGHT TO REJECT APPLICATIONS

In case of QIB Applicants, the Company in consultation with the BRLM may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non-Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

GROUND FOR REJECTIONS

In addition to the grounds for rejection of Bids on technical grounds as provided in the General Information Document, the bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
- Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form
- Bids submitted on a plain paper
- Bids submitted by RIBs using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI
- ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary
- Bids under the UPI Mechanism submitted by RIBs using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);
- Bids submitted without the signature of the First Bidder or sole Bidder
- The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
- Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are “suspended for credit” in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;
- GIR number furnished instead of PAN;

- Bids by RIBs with Bid Amount of a value of more than Rs. 2,00,000;
- Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals
- Bids accompanied by stock invest, money order, postal order or cash; and
- Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Offer Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Offer Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Offer Closing Date, unless extended by the Stock Exchange
- Applications by OCBs;

IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of section 38(1) of the Companies Act, 2013 which is reproduced below:

Any person who:

- a. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b. makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c. otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person a fictitious name,

Shall be liable for action under section 447 of Companies Act, 2013 and shall be treated as Fraud.

SIGNING OF UNDERWRITING AGREEMENT

Vide an Underwriting agreement dated December 13, 2023 this issue is 100% Underwritten.

FILING OF THE RED HERRING PROSPECTUS WITH THE ROC

The Company has filed a copy of the Red Herring Prospectus with the Registrar of Companies, Chennai and will file a copy of Prospectus with Registrar of companies, Chennai in terms of Section 26 of Companies Act, 2013.

EQUITY SHARES IN DEMATERIALISED FORM WITH NSDL/CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company is in process of entering following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- i. We have entered into a tripartite agreement between NSDL, the Company and the Registrar to the offer on July 10, 2023.
- ii. We have entered into a tripartite agreement between CDSL, the Company and the Registrar to the offer on July 10, 2023.

The Company's Equity shares bear an ISIN INE0QHG01026.

An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository

Participants of either NSDL or CDSL prior to making the Application.

- The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Application Form or Revision Form.
- Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.
- Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
- The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis à vis those with his or her Depository Participant.
- Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- The allotment and trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

TERMS OF PAYMENT

The entire Issue price of Rs. 65/- per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs or Sponsor Bank to unblock the excess amount paid on Application to the Bidders.

SCSBs or Sponsor Bank will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs or Sponsor Bank.

The applicants should note that the arrangement with Banker to the Issue or the Registrar or Sponsor Bank is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

PAYMENT MECHANISM FOR APPLICANTS

The Bidders shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form sent by the Sponsor Bank. The SCSB or Sponsor Bank shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However Non-Retail Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid or for unsuccessful Bids, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Applicant, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public

Offer shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public offer may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to Rs. 5,00,000, may use UPI.

PAYMENT BY STOCK INVEST

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/ 24.47.00/ 2003-04 dated November 05, 2003; the option to use the stock invest instrument in lieu of cheques or banks for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

PAYMENT INTO ESCROW ACCOUNT(S) FOR ANCHOR INVESTORS

Our Company, in consultation with the BRLM, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favor of:

- (a) In case of resident Anchor Investors: “**SUPREME POWER EQUIPMENT LIMITED IPO - ANCHOR ACCOUNT-R**”; and
- (b) In case of Non-Resident Anchor Investors: “**SUPREME POWER EQUIPMENT LIMITED IPO-ANCHOR ACCOUNT-NR**”.

Anchor Investors should note that the escrow mechanism is not prescribed by the SEBI and has been established as an arrangement between our Company and the Syndicate, if any the Escrow Collection Bank and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors

PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013 and Regulation 264 of SEBI (ICDR) Regulations, 2018, the company shall, after filing the Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation. In the pre-issue advertisement, we shall state the Bid/Issue Opening Date and the Bid/Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013 and Regulation 264 of SEBI (ICDR) Regulations, 2018, shall be in the format prescribed in Part A of Schedule VI of the SEBI Regulations.

ISSUANCE OF ALLOTMENT ADVICE

On the Designated date, the SCSBs shall transfer the funds represented by allocation of equity shares into public issue account with the banker to the issue. Upon approval of the basis of the allotment by the Designated Stock Exchange, the Registrar to the Issue shall upload the same on its website. On the basis of approved basis of allotment, the issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares.

Applicants are advised to instruct their respective depository participants to accept the equity shares that may be allotted to them pursuant to the issue. Pursuant to confirmation of such corporate actions the Registrar to the Issue will dispatch allotment advice to the applicants who have been allotted equity shares in the issue. The dispatch of allotment advice shall be deemed a valid, binding and irrevocable contract.

The Company will issue and dispatch letters of allotment/ securities certificates and/ or letters of regret or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

DESIGNATED DATE

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any.

NAMES OF ENTITIES RESPONSIBLE FOR FINALISING THE BASIS OF ALLOTMENT IN A FAIR AND PROPER MANNER

The authorised employees of the Stock Exchange, along with the BRLM and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

METHOD OF ALLOTMENT AS MAY BE PRESCRIBED BY SEBI FROM TIME TO TIME

Our Company will not make any allotment in excess of the Equity Shares offered through the offer document except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. The allotment of Equity Shares to applicants other than to the Retail Individual Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size.

DISPOSAL OF APPLICATION AND APPLICATION MONIES AND INTEREST IN CASE OF DELAY

The company shall ensure the dispatch of allotment advice, instruction to SCSBs and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the allotment to the stock exchange within one (1) working day of the date of allotment of equity shares.

The company shall use best efforts that all steps for completion of the necessary formalities for listing and commencement of trading at Emerge platform of NSE, where the equity shares are proposed to be listed are taken within six (6) working days of the closure of the issue.

MODE OF REFUNDS

a) In case of ASBA Applicants: Within 6 (six) Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application, for any excess amount blocked on Application, for any ASBA application withdrawn, rejected or unsuccessful or in the event of withdrawal or failure of the Offer

b) In the case of Applications from Eligible NRIs and FPIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/ or commission. If so desired, such payments in Indian Rupees may be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and may be dispatched by registered post. The Company may not be responsible for loss, if any, incurred by the applicant on account of conversion of foreign currency.

c) In case of Other Investors: Within six Working Days of the Issue Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Investors. In case of Investors, the Registrar to the Offer may obtain from the depositories, the Applicants' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Investors in their Investor Application Forms for refunds. Accordingly, Investors are advised to immediately update their details as appearing on the records of their depositories. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Investors' sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Banks, may be liable to compensate the Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay.

MODE OF MAKING REFUNDS FOR APPLICANTS OTHER THAN ASBA APPLICANTS

The payment of refund, if any, may be done through various modes as mentioned below:

(i) NECS - Payment of refund may be done through NECS for Applicants having an account at any of the centers specified by the RBI. This mode of payment of refunds may be subject to availability of complete bank account details including the nine-digit MICR code of the applicant as obtained from the Depository

(ii) NEFT - Payment of refund may be undertaken through NEFT wherever the branch of the Applicants' bank is NEFT enabled and has been assigned the Indian Financial System Code ("IFSC"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Applicants have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Applicants' through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;

(iii) Direct Credit – Applicants having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;

(iv) RTGS – Applicants having a bank account at any of the centres notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS. The IFSC code shall be obtained from the demographic details. Investors should note that on the basis of PAN of the applicant, DP ID and beneficiary account number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Investors' account details, IFSC code, MICR code and occupation (hereinafter referred to as "Demographic Details"). The bank account details for would be used giving refunds. Hence, Applicants are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds

to Applicants at their sole risk and neither the BRLM or the Registrar to the Issue or the Escrow Collection Bank nor the Company shall have any responsibility and undertake any liability for the same;

(v) Please note that refunds, on account of our Company not receiving the minimum subscription, shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank. For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers etc. Investors may refer to Red Herring Prospectus.

INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer shall make the Allotment within the period prescribed by SEBI. The Issuer shall pay interest at the rate of 15% per annum if Allotment is not made and refund instructions have not been given to the clearing system in the disclosed manner/instructions for unblocking of funds in the ASBA Account are not dispatched within such times as maybe specified by SEBI.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated in accordance with applicable law. Further, Investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds

UNDERTAKINGS BY OUR COMPANY

The Company undertakes the following:

1. that if our Company do not proceed with the Issue after the Issue Closing Date, the reason thereof shall be given as a public notice in the newspapers to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers in which the Pre- Issue advertisement was published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
2. that if our Company withdraw the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the RoC / SEBI, in the event our Company subsequently decides to proceed with the Issue;
3. That the complaints received in respect of this Issue shall be attended to by us expeditiously and satisfactorily;
4. That all steps shall be taken to ensure that listing and commencement of trading of the Equity Shares at the Stock Exchange where the Equity Shares are proposed to be listed are taken within six Working Days of Issue Closing Date or such time as prescribed;
5. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
6. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within six Working Days from the Offer Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund.
7. That no further Issue of Equity Shares shall be made till the Equity Shares issued through this Prospectus are listed or until the Application monies are refunded on account of non-listing, under-subscription etc.
8. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment.

9. That if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the ICDR Regulations and applicable law for the delayed period;
10. That the letter of allotment/ unblocking of funds to the non-resident Indians shall be dispatched within specified time; and

UTILIZATION OF ISSUE PROCEEDS

Our Board certifies that:

1. All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in Section 40 of the Companies Act, 2013;
2. Details of all monies utilized out of the issue referred to in point 1 above shall be disclosed and continued to be disclosed till the time any part of the issue proceeds remains unutilized under an appropriate separate head in the balance-sheet of the issuer indicating the purpose for which such monies had been utilized;
3. Details of all unutilized monies out of the Issue referred to in 1, if any shall be disclosed under the appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested and
4. Our Company shall comply with the requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
6. Our Company undertakes that the complaints or comments received in respect of the Offer shall be attended by our Company expeditiously and satisfactorily.

WITHDRAWAL OF THE ISSUE

Our Company, in consultation with the BRLM, reserves the right not to proceed with the Issue, in whole or any part thereof at any time after the Issue Opening Date but before the Allotment, with assigning reason thereof. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared within Two days of Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for such decision and. The LM, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the following:

1. The final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and
2. The final RoC approval of the Prospectus after it is filed with the concerned RoC.

If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an initial public offering of Equity Shares, our Company shall file a fresh Draft Red Herring prospectus with stock exchange.

COMMUNICATIONS

All future communications in connection with the Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of

the Designated intermediary to the Issue where the Application and a copy of the acknowledgement slip. Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts etc.

ISSUE PROCEDURE FOR ASBA (APPLICATION SUPPORTED BY BLOCKED ACCOUNT) APPLICANTS

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the BRLM are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

This section is for the information of investors proposing to subscribe to the Issue through the ASBA process. Our Company and the BRLM are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1480483399603.html. For details on designated branches of SCSB collecting the Application Form, please refer the above mentioned SEBI link.

ASBA PROCESS

A Resident Retail Individual Investor shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant (ASBA Account) is maintained. The SCSB shall block an amount equal to the Application Amount in the bank account specified in the ASBA Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Application, as the case may be.

The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful ASBA Applicants to the ASBA Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the LM.

ASBA Applicants are required to submit their Applications, either in physical or electronic mode. In case of application in physical mode, the ASBA Applicant shall submit the ASBA Application Form at the Designated Branch of the SCSB. In case of application in electronic form, the ASBA Applicant shall submit the Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA account held with SCSB, and accordingly registering such Applications.

Who can apply?

Please note that, in accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (Except Anchor investors) applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) process or UPI payment mechanism by providing UPI ID in the Application Form which is linked from Bank Account of the investor.

Mode of Payment

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB. Application Amount paid in cash, by money order or by postal order or by stock invest, or ASBA Application Form accompanied by cash, money order, postal order or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted. After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Application Form till the Designated Date. On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue. The entire Application Amount, as per the Application Form submitted by the respective ASBA Applicants, would be required to be blocked in the respective ASBA Accounts until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against allocated shares to the Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Application, as the case may be.

Unblocking of ASBA Account

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the Public Issue Account as per the provisions of section 40(3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account. However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application, as the case may be.

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RESTRICTION ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Foreign investment is allowed up to 100% under automatic route in our Company.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (DIPP), issued consolidated FDI Policy, which with effect from August 28, 2017 consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on August 27, 2017. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, the Consolidation FDI Policy will be valid until the DIPP issues an updated circular.

The transfer of shares by an Indian resident to a Non-Resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI/RBI.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue. The Equity Shares offered in the Issue have not been and will not be registered under the Securities Act and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws.

Accordingly, the Equity Shares are being offered and sold (i) within the United States to persons reasonably believed to be “qualified institutional investors” (as defined in Rule 144A under the Securities Act) pursuant to Rule 144A under the Securities Act or other applicable exemption under the Securities Act and (ii) outside the United States in offshore transactions in reliance on Regulations under the Securities Act and the applicable laws of the jurisdictions where such offers and sales occur.

The above information is given for the benefit of the Applicants. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them.

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ISSUE STRUCTURE

This Issue has been made in terms of Regulation 229(2) of Chapter IX of SEBI ICDR Regulations whereby, our post-issue face value capital is more than ten crore rupees and upto twenty-five crore rupees. The Company shall issue specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the Emerge Platform of NSE Limited). For further details regarding the salient features and terms of this Offer, please refer to the chapter titled "Terms of the Issue" and "Issue Procedure" beginning on page 282 and 290 of this Prospectus.

Present Issue Structure

Initial Public Offer of 71,80,000 Equity Shares of Rs. 10/- each ("Equity Shares") of Supreme Power Equipment Limited ("SPEL" or the "Company") for cash at a price of Rs. 65/- per equity share (the "Issue Price"), aggregating to Rs. 4,667.00 Lakhs ("The Offer"). Out of the Issue, 9,32,000 equity shares aggregating to Rs. 605.80 Lakhs will be reserved for subscription by Market Maker ("Market Maker Reservation Portion"). The Issue less the Market Maker Reservation Portion i.e., Issue of 62,48,000 equity shares of face value of Rs. 10.00/- each at an issue price of Rs. 65/- per equity share aggregating to Rs. 4,061.20 Lakhs is hereinafter referred to as the "Net Issue". The Issue and the Net Issue will constitute 28.73% and 25.00%, respectively of the Post Issue paid up equity share capital of our company.

| Particulars of the Issue | Market Maker Reservation Portion | QIBs | Non – Institutional Investors | Retail Individual Investors |
|---|----------------------------------|--|--|---|
| Number of Equity Shares available for allocation | 9,32,000 Equity shares | 31,20,000 Equity shares | 9,40,000 Equity shares | 21,88,000 Equity shares |
| Percentage of Issue Size available for allocation | 12.98% of the issue size | Not more than 50.00% of the Net offer size shall be available for allocation to QIBs. However, up to 5.00% of net QIB Portion (excluding the Anchor Investor Portion) will be available for allocation proportionately to Mutual Fund only. Up to 60.00% of the QIB Portion may be available for allocation to Anchor Investors and one third of the Anchor Investors Portion shall be available for allocation to domestic mutual funds only. | Not less than 15.00% of the Offer shall be available for allocation. | Not less than 35.00% shall be available for allocation. |
| Basis of Allotment | Firm Allotment | Proportionate as follows (excluding the Anchor Investor Portion: (a) up to 62,500 Equity Shares, shall be available for allocation on a proportionate basis to Mutual Funds only; and; (b) 12,50,000 Equity shares shall be allotted on a proportionate basis to all QIBs | Proportionate | 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 |

| | | | | |
|--------------------------|--|--|---|---|
| | | including Mutual Funds receiving allocation as per (c) above 18,70,000 Equity Shares may be allocated on a discretionary basis to Anchor Investors For further details please refer to the section titled “Offer Procedure” beginning on page 290. | | available Equity Shares if any, shall be allotted on a proportionate basis. For details see, “Offer Procedure” on page 290. |
| Mode of Application | All the applicants shall make the application (Online or Physical) through the ASBA Process only (including UPI mechanism for Retail Investors using Syndicate ASBA). | | | |
| Minimum Bid Size | 9,32,000 Equity Shares in multiple of 9,32,000 Equity shares | Such number of Equity Shares and in multiples of 2000] Equity Shares that the Bid Amount exceeds Rs. 200,000. | Such number of Equity Shares and in multiples of 2000 Equity Shares that the Bid Amount exceeds Rs. 200,000. | 2000 Equity Shares in multiple of 2000 Equity shares so that the Bid Amount does not exceed Rs. 2,00,000. |
| Maximum Application Size | 9,32,000 Equity Shares | Such number of Equity Shares in multiples of 2000 Equity Shares not exceeding the size of the Net Issue, subject to applicable limits. | Such number of Equity Shares in multiples of 2000 Equity Shares not exceeding the size of the issue (excluding the QIB portion), subject to limits as applicable to the Bidder. | Such number of Equity Shares in multiples of 2000 Equity Shares so that the Bid Amount does not exceed Rs. 2,00,000. |
| Mode of Allotment | Dematerialized Form | | | |
| Trading Lot | 2000 Equity Shares, however, the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations | 2000 Equity Shares and in multiples thereof | 2000 Equity Shares and in multiples thereof | 2000 Equity Shares and in multiples thereof |
| Terms of Payment | Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder or by the Sponsor Bank through the UPI Mechanism that is specified in the ASBA Form at the time of submission of the ASBA Form. | | | |

Note:

1. *In case of joint application, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Applicant would be required in the Application Form and such First Applicant would be deemed to have signed on behalf of the joint holders.*
2. *Applicants will be required to confirm and will be deemed to have represented to our Company, the BRLM, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares in this Issue.*
3. *SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.*

Lot Size

SEBI vide circular CIR/MRD/DSA/06/2012 dated February 21, 2012 (the Circular) standardized the lot size for Initial Public Offer proposing to list on Emerge exchange/platform and for the secondary market trading on such exchange/platform, as under:

| Issue Price (in Rs.) | Lot Size (No. of shares) |
|-------------------------|--------------------------|
| Upto 14 | 10000 |
| More than 14 upto 18 | 8000 |
| More than 18 upto 25 | 6000 |
| More than 25 upto 35 | 4000 |
| More than 35 upto 50 | 3000 |
| More than 50 upto 70 | 2000 |
| More than 70 upto 90 | 1600 |
| More than 90 upto 120 | 1200 |
| More than 120 upto 150 | 1000 |
| More than 150 upto 180 | 800 |
| More than 180 upto 250 | 600 |
| More than 250 upto 350 | 400 |
| More than 350 upto 500 | 300 |
| More than 500 upto 600 | 240 |
| More than 600 upto 750 | 200 |
| More than 750 upto 1000 | 160 |
| Above 1000 | 100 |

Further to the Circular, at the initial public offer stage the Registrar to Issue in consultation with BRLM, our Company and NSE shall ensure to finalize the basis of allotment in minimum lots and in multiples of minimum lot size, as per the above given table. The secondary market trading lot size shall be the same, as shall be the initial public offer lot size at the application/allotment stage, facilitating secondary market trading.

*50% of the shares offered are reserved for applications below Rs.2.00 lakh and the balance for higher amount applications.

WITHDRAWAL OF THE ISSUE

In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Book Running Lead Manager, reserves the right to not to proceed with the Issue at any time before the Bid/Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Bid/ Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper, where the Registered office of the Company is situated.

The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also

be informed promptly. If our Company withdraws the Issue after the Bid/ Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Draft Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed. Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approval of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the registration of Red Herring Prospectus/ Prospectus with RoC.

JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities at Chennai.

ISSUE PROGRAMME

| | |
|---------------------------|-------------------|
| ISSUE OPENING DATE | December 21, 2023 |
| ISSUE CLOSING DATE | December 26, 2023 |

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Issue closing date when applications will be accepted only between 10.00 a.m. to 2.00 p.m.

In case of discrepancy in the data entered in the electronic book vis a vis the data contained in the physical bidform, for a particular bidder, the detail as per physical application form of that bidder may be taken as the final data for the purpose of allotment.

Standardization of cut-off time for uploading of applications on the issue closing date:

- (a) A standard cut-off time of 3.00 PM for acceptance of applications.
- (b) A standard cut-off time of 4.00 PM for uploading of applications received from non-retail applicants i.e. QIBs, HNIs and employees (if any).

A standard cut-off time of 5.00 PM for uploading of applications received from only retail applicants, which may be extended up to such time as deemed fit by Stock Exchanges after taking into account the total number of applications received upto the closure of timings and reported by BRLM to the Exchange within half an hour of such closure.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

SECTION IX - MAIN PROVISION OF ARTICLE OF ASSOCIATION

THE COMPANIES ACT, 1956 (COMPANY LIMITED BY SHARES) ARTICLES OF ASSOCIATION OF SUPREME POWER EQUIPMENT LIMITED

The following regulations comprised in these Articles of Association were adopted pursuant to special resolution passed at the Extra Ordinary General Meeting of the Company held on 31st August 2023 in substitution for, and to the entire exclusion of, the earlier regulations comprised on the extant Articles of Association of the Company.

| Article No. | Sub-Heading |
|-------------|---|
| I | A Interpretation |
| | (a) The regulations contained in table "F" of Schedule I to the Companies Act, 2013 shall apply to the Company only in so far as the same are not provided for or are not inconsistent with these Articles. |
| | (b) The regulations for the management of the Company and for the observance of the members thereof and their representatives shall be such as are contained in these Articles subject however to the exercise of the statutory powers of the Company in respect of repeal, additions, alterations, substitution, modifications and variations thereto by special resolution as prescribed by the Companies Act, 2013 |
| | (c). References to a person shall, where the context permits, include such person's respective successors, legal heirs and permitted assigns. |
| | (d). The descriptive headings of Articles are inserted solely for convenience of reference and are not intended as complete or accurate descriptions of content thereof and shall not be used to interpret the provisions of these Articles and shall not affect the construction of these Articles. |
| | (e). References to articles and sub-articles are references to Articles and sub-articles of and to these Articles unless otherwise stated and references to these Articles include references to the articles and sub-articles herein. |
| | (f). Words importing the singular include the plural and vice versa, pronouns importing a gender include each of the masculine, feminine and neuter genders, and where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have the corresponding meanings. |
| | Conversion of the Company from Private Limited to Public Limited. The Articles of Association is adopted in substitution and to the entire exclusion of the Regulations contained in the existing Articles of Association of the Company vide special Resolution passed by the shareholders at the Extra- Ordinary General Meeting held on 31.08.2023 |
| | (g). Wherever the words "include," "includes," or "including" is used in these Articles, such words shall be deemed to be followed by the words "without limitation". |
| | (h). The terms "hereof", "herein", "hereto", "hereunder" or similar expressions used in these Articles mean and refer to these Articles and not to any particular Article of these Articles, unless expressly stated otherwise. |
| | (i). Reference to statutory provisions shall be construed as meaning and including references also to any amendment or re-enactment for the time being in force and to all statutory instruments or orders made pursuant to such statutory provisions. |
| | (j). In the event any of the provisions of the Articles are contrary to the provisions of the Act and the Rules, the provisions of the Act and Rules will prevail. |
| | (k) EXPRESSIONS IN THE ACT AND THESE ARTICLES |
| | Save as aforesaid, any words or expressions defined in the Act or the Depositories Act or the SEBI Listing Regulations, shall, as the case may be, if not inconsistent with the subject or context, bear the same meaning in these Articles. |
| | B. Definitions |
| | In the interpretation of these Articles the following words and expressions shall have the following meanings unless repugnant to the subject or context. |
| | a. "Act" means the Companies Act, 2013 along with the relevant Rules made there under, in force and any statutory amendment thereto or replacement thereof and including any circulars, notifications and clarifications issued by the relevant authority under the Companies Act, 2013, and applicable and subsisting |

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| | provisions of the Companies Act, 1956, if any, along with the relevant Rules made there under. Reference to Act shall also include the Secretarial Standards issued by the Institute of Company Secretaries of India constituted under the Company Secretaries Act, 1980. |
| | b. “Annual General Meeting” shall mean a General Meeting of the holders of Equity Shares held annually in accordance with the applicable provisions of the Act. |
| | c. “Articles” shall mean these articles of association as adopted or as from time to time altered in accordance with the provisions of these Articles and Act. |
| | d. “Auditors” shall mean and include those persons appointed as such for the time being by the Company. |
| | e. “Board” or “Board of Directors” shall mean the collective board of directors of the Company, as duly called and constituted from time to time, in accordance with Law and the provisions of these Articles. |
| | f. “Board Meeting” shall mean any meeting of the Board, as convened from time to time and any adjournment thereof, in accordance with law and the provisions of these Articles. |
| | g. “Business Day” shall mean a day on which scheduled commercial banks are open for normal banking business; |
| | h. “Capital” or “Share Capital” shall mean the authorized share capital of the Company. |
| | i. “Chairman” shall mean such person as is nominated or appointed in accordance with Article 35 herein below. |
| | j. “Companies Act, 2013” shall mean the Companies Act, 2013 (Act 18 of 2013), as amended, including any statutory modification or re-enactment thereof, for the time being in force |
| | k. “Company” or “this Company” shall mean Supreme Power Equipment Limited |
| | l. “Committees” shall have the meaning ascribed to such term in Article 66. |
| | m. “Depositories Act” shall mean The Depositories Act, 1996 and shall include any statutory modification or re-enactment thereof. |
| | n. “Director” shall mean any director of the Company, including alternate directors, independent directors and nominee directors appointed in accordance with the Law and the provisions of these Articles. |
| | o. “Dividend” shall include interim dividends. |
| | p. “Encumbrance” shall mean any encumbrance including without limitation any mortgage, pledge, charge, lien, deposit or assignment by way of security, bill of sale, option or right of pre-emption, entitlement to beneficial ownership and any interest or right held, or claim that could be raised, by a third party or any other encumbrance or security interest of any kind; |
| | p. “Encumbrance” shall mean any encumbrance including without limitation any mortgage, pledge, charge, lien, deposit or assignment by way of security, bill of sale, option or right of pre-emption, entitlement to beneficial ownership and any interest or right held, or claim that could be raised, by a third party or any other encumbrance or security interest of any kind; |
| | q. “Equity Share Capital” shall mean the total issued and paid-up equity share capital of the Company, calculated on a fully diluted basis. |
| | r. “Equity Shares” shall mean fully paid-up equity shares of the Company having a par value of INR 10 (Rupees Ten) per equity share of the Company, or any other issued Share Capital of the Company that is reclassified, reorganized, reconstituted or converted into equity shares of the Company. |
| | s. “Executor” or “Administrator” shall mean a person who has obtained probate or letters of administration, as the case may be, from a court of competent jurisdiction and shall include the holder of a succession certificate authorizing the holder thereof to negotiate or transfer the Shares or other Securities of the deceased Shareholder and shall also include the holder of a certificate granted by the Administrator-General appointed under the Administrator Generals Act, 1963. |
| | t. “Extraordinary General Meeting” shall mean an extraordinary general meeting of the holders of Equity Shares duly called and constituted in accordance with the provisions of the Act. |
| | u. “Financial Year” shall mean any fiscal year of the Company, beginning on April 1 of each calendar year and ending on March 31 of the following calendar year. |
| | v. “Law/Laws” shall mean all applicable provisions of all (i) constitutions, treaties, statutes, laws (including the common law), codes, rules, regulations, circulars, ordinances or orders of any governmental authority and SEBI, (ii) governmental approvals, (iii) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any governmental authority, (iv) rules or guidelines for compliance, of any stock exchanges, (v) international treaties, conventions and protocols, and (vi) Indian GAAP or Ind-AS or any other generally accepted accounting principles. |
| | w. “Memorandum” shall mean the memorandum of association of the Company, as amended from time to time. |
| | x. “Office” shall mean the registered office for the time being of the Company. |
| | y. “Paid-up” shall include the amount credited as paid up. |

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| | z. "Person" shall mean any natural person, sole proprietorship, partnership, company, body corporate, governmental authority, joint venture, trust, association or other entity (whether registered or not and whether or not having separate legal personality). |
| | aa. "Register of Members" shall mean the register of Shareholders to be kept pursuant to Section 88 of the Act. (bb) "Registrar" shall mean the Registrar of Companies, from time to time having jurisdiction over the Company. (cc) "Rules" shall mean the rules made under the Act and as notified from time to time. |
| | ab. "Seal" shall mean the common seal(s) for the time being of the Company, if any. |
| | ac. "SEBI" shall mean the Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992. "SEBI Listing Regulations" shall mean the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, any statutory amendment thereto and any listing agreement entered into by the Company with the Stock Exchanges. |
| | ad. "Securities" or "securities" shall mean any Share (including Equity Shares), scrips, stocks, bonds, debentures, warrants or options whether or not, directly or indirectly convertible into, or exercisable or exchangeable into or for Equity Shares, and any other marketable securities. |
| | ae. "Shares" or "shares" shall mean any share issued in the Share Capital of the Company, including Equity Shares and preference shares. |
| | af. "Shareholder" or "shareholder" or "member" shall mean any shareholder of the Company, from time to time. |
| | ag. "Shareholders' Meeting" shall mean any meeting of the Shareholders of the Company, including Annual General Meetings as well as Extraordinary General Meetings, convened from time to time in accordance with the Act, applicable Laws and the provisions of these Articles. |
| | ah. "Stock Exchanges" shall mean Bombay Stock Exchange Limited, the National Stock Exchange of India Limited and any other stock exchange in India where the Securities are listed. |
| II | Share Capital and Variation of rights |
| | a. The authorised Share Capital of the Company shall be as stated under Clause V of the Memorandum of Association of the Company with such rights, privileges and conditions respectively attached thereto as may be from time to time and the Company may sub- divide, consolidate and increase the Share Capital from time to time and upon the sub-division of Shares, apportion the right to participate in profits in any manner as between the Shares resulting from the sub-division. |
| | b. The Company has power, from time to time, to increase or reduce its authorised or issued and Paid up Share Capital, in accordance with the Act, applicable Laws and these Articles. |
| | c. The Share Capital of the Company may be classified into Shares with differential rights as to dividend, voting or otherwise in accordance with the applicable provisions of the Act, Rules, and Law, from time to time. |
| | d. The Board may, subject to the relevant provisions of the Act and these Articles, allot and issue Shares as payment or part payment for any property purchased by the Company or in respect of goods sold or transferred or machinery or appliances supplied or for services rendered to the Company in or about the formation of the Company or in respect of an acquisition and/or in the conduct of its business or for any goodwill provided to the Company; and any Shares which may be so allotted may be issued as fully/partly Paid-up Shares and if so issued shall be deemed as fully/partly Paid-up Shares. |
| | e. Except so far as otherwise provided by the conditions of issue or by these Articles, any Share Capital raised by the creation of new Shares, shall be considered as part of the existing Share Capital and shall be subject to the provisions herein contained with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise |
| | f. Any 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 of Members, shall for the purposes of these Articles, be a Shareholder. |
| | g. 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 immediately on the insertion of the name of the allottee, in the Register of Members as the name of the holder of such Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly. |
| | PREFERENCE SHARES |
| | a. Redeemable Preference Shares |
| | The Company, subject to the applicable provisions of the Act, shall have the power to issue on a cumulative or non-cumulative basis, preference shares liable to be redeemed in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power in any manner |

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| | as they deem fit and provide for redemption of such shares on such terms including the right to redeem at a premium or otherwise as they deem fit. |
| | b. Convertible Redeemable Preference Shares |
| | The Company, subject to the applicable provisions of the Act and the consent of the Board, shall have power to issue on a cumulative or non-cumulative basis convertible preference shares liable to be converted in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power as they deem fit and provide for conversion at a premium or otherwise and/or conversion of such shares into such Securities on such terms as they may deem fit. |
| | PROVISIONS IN CASE OF PREFERENCE SHARES |
| | Upon the issue of preference shares pursuant to Article a and b above, the following provisions shall apply: |
| | a. No such preference shares shall be redeemed except out of profits of the Company which would otherwise be available for Dividend or out of the proceeds of a fresh issue of shares made for the purposes of the redemption; |
| | b. No such shares shall be redeemed unless they are fully paid; |
| | c. 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 securities premium account, before the shares are redeemed; |
| | d. Where any such shares are proposed to be redeemed out of the profits of the Company, there shall, out of such profits, be transferred, a sum equal to the nominal amount of the shares to be redeemed, to a reserve, to be called the "Capital Redemption Reserve Account" and the applicable provisions of the Act relating to the reduction of the Share Capital of the Company shall, except as provided by Section 55 of the Act, apply as if the Capital Redemption Reserve Account were Paid up Share Capital of the Company; |
| | e. The redemption of preference shares under this Article by the Company shall not be taken as reduction of Share Capital; |
| | f. The Capital Redemption Reserve Account may, notwithstanding anything in this Article, be applied by the Company, in paying up un-issued shares of the Company to be issued to the Shareholders as fully paid bonus shares; and |
| | g. Whenever the Company shall redeem any redeemable preference shares, the Company shall, within 30 (thirty) days thereafter, give notice thereof to the Registrar as required by Section 64 of the Act. |
| | Lien |
| | 9. i. The Company shall have a first and paramount lien : |
| | on every share (not being a fully paid share), for all money (whether presently payable or not) called, or payable at a fixed time, in respect of that share; |
| | on all shares (not being fully paid shares) standing registered in the name of a single person, for all money presently payable by him or his estate to the Company; |
| | Provided that the Board may, at any time, declare any shares wholly or in part to be exempt from the provisions of this Article. |
| | ii. The Company's lien, if any, on the shares, (not being a fully paid share), shall extend to all Dividends payable and bonuses declared from time to time in respect of such shares. |
| | iii. For the purpose of enforcing such lien, the Board may sell such partly Paid-up shares, subject thereto in such manner as the Board shall think fit, and for that purpose may cause to be issued, a duplicate certificate in respect of such shares and may authorise one of their Shareholders to execute and register the transfer thereof on behalf of and in the name of any purchaser. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to said shares be affected by any irregularity or invalidity in the proceedings in reference to the sale of such shares; |
| | 10. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien: |
| | Provided that no sale shall be made |
| | a. unless a sum in respect of which the lien exists is presently payable; or |
| | b. until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency. |
| | 11. i. To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof |
| | ii. The purchaser shall be registered as the holder of the shares comprised in any such transfer. |
| | iii. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale. |
| | 12. i. The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. |

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| | ii. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale. |
| | Calls on shares |
| | 13 a. Subject to the provisions of Section 49 of the Act, the terms on which any shares may have been issued and allotted, the Board may, from time to time, by a resolution passed at a meeting of the Board, make such call as it thinks fit upon the Shareholders in respect of all money unpaid on the shares held by them respectively and each Shareholder shall pay the amount of every call so made on him to the Person or Persons and Shareholders and at the times and places appointed by the Board. A call may be made payable by instalments. Provided that the Board shall not give the option or right to call on shares to any person except with the sanction of the Company in the General Meeting. |
| | b. 14 (fourteen) days' notice in writing at the least of every call (otherwise than on allotment) shall be given by the Company specifying the time and place of payment, provided that before the time for payment of such call, the Board may revoke or postpone the same. |
| | 14. The call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed and may be made payable by the Shareholders whose names appear on the Register of Members on such date as shall be fixed by the Board. |
| | 15. The joint holder of a share shall be jointly and severally liable to pay all instalments and calls due in respect thereof. |
| | 16. a. 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 Shareholders who, from residence at a distance or other cause the Board may deem fairly entitled to such extension; but no Shareholders shall be entitled to such extension save as a matter of grace and favour. |
| | b. If any Shareholder or allottee fails to pay the whole or any part of any call or instalment, due from him on the day appointed for payment hereof, or any such extension thereof, he shall be liable to pay interest on the same from the day appointed for the payment to the time of actual payment at 10 (ten) per cent per annum or such lower rate as shall from time to time be fixed by the Board but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Shareholder and the Board shall be at liberty to waive payment of such interest either wholly or in part. |
| | 17. i. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable. |
| | ii. In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified. |
| | 18. a. On the trial or hearing of any action or suit brought by the Company against any Shareholder or his legal representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Shareholder in respect of whose shares the money is sought to be recovered appears entered on the Register of Members as the holder, or one of the holders at or subsequent to the date at which the money sought to be recovered is alleged to have become due on the shares; that the resolution making the call is duly recorded in the minute book, and that notice of such call was duly given to the Shareholder or his representatives so sued in pursuance of these Articles; and 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, nor that the meeting 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 and the same shall be recovered by the Company against the Shareholder or his representative from whom it is ought to be recovered, unless it shall be proved, on behalf of such Shareholder or his representatives against the Company that the name of such Shareholder was improperly inserted in the Register of Members or that the money sought to be recovered has actually been paid. |
| | b. The Company may enforce a forfeiture of shares under Article 28 below notwithstanding the following: |
| | (i) a judgment or a decree in favour of the Company for calls or other money due in respect of any share. |
| | (ii) part payment or satisfaction of any calls or money due in respect of any such judgement or decree. |
| | (iii) the receipt by the Company of a portion of any money which shall be due from any Shareholder to the Company in respect of his shares; and (iv) any indulgence granted by the Company in respect of the payment of any such money. |
| | c. The Board may, if it thinks fit (subject to the provisions of Section 50 of the Act) agree to and receive from any Shareholder willing to advance the same, the whole or any part of the money due upon the shares held by him beyond the sums actually called up, and upon the amount so paid or satisfied in advance or so much thereof as from time to time and at any time thereafter as exceeds the amount of the calls then made |

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| | upon and due in respect of the shares in respect of which such advance has been made, the Company may pay interest, as the Shareholder paying such sum in advance and the Board may agree upon; provided that the money paid in advance of calls shall not confer a right to participate in profits or dividend. Provided always that if at any time after the payment of any such money the rate of interest so agreed to be paid to any such Member appears to the Board to be excessive, it shall be lawful for the Board from time to time to repay to such Member so much of such money as shall then exceed the amount of the calls made upon such shares in the manner determined by the Board. Provided also that if at any time after the payment of any money so paid in advance, the Company shall go into liquidation, either voluntary or otherwise, before the full amount of the money so advanced shall have become due by the members to the Company, on instalments or calls, or in any other manner, the maker of such advance shall be entitled (as between himself and the other Members) to receive back from the Company the full balance of such moneys rightly due to him by the Company in priority to any payment to members on account of capital, in accordance with and subject to the provisions of the Act. |
| | d. No Shareholder shall be entitled to voting rights in respect of the money (ies) so paid by him until the same would but for such payment, become presently payable. |
| | Transfer of shares and Transmission of Shares |
| | 19. a. The Company shall record in the Register of Members fairly and distinctly particulars of every transfer or transmission of any share, Debenture or other Security held in a material form. |
| | b. In accordance with Section 56 of the Act, the Rules and such other conditions as may be prescribed under Law, every instrument of transfer of shares held in physical form shall be in writing. In case of transfer of shares where the Company has not issued any certificates and where the shares are held in dematerialized form, the provisions of the Depositories Act shall apply. |
| | c. An application for the registration of a transfer of the shares in the Company may be made either by the transferor or the transferee within the time frame prescribed under the Act. |
| | d. Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee in a prescribed manner and the transferee communicates no objection to the transfer within 2 (two) weeks from the receipt of the notice. |
| | e. Every such instrument of transfer shall be executed by both, the transferor and the transferee and attested and the transferor shall be deemed to remain the holder of such share until the name of the transferee have been entered in the Register of Members in respect thereof. |
| | f. The Board shall have power on giving not less than 7 (seven) days ' previous notice or such lesser period as may be specified by SEBI, by advertisement in a vernacular newspaper and in an English newspaper having wide circulation in the city, town or village in which the Office of the Company is situated and by publishing a notice on the website of the Company, to close the transfer books, the Register of Members and/or Register of Debenture-holders at such time or times and for such period or periods, not exceeding 30 (thirty) days at a time and not exceeding in the aggregate 45 (forty-five) days in each year, as it may deem expedient. |
| | g. Subject to the provisions of Sections 58 of the Act, these Articles and other applicable provisions of the Act or any other Law for the time being in force, the Board may, refuse to register the transfer of, or the transmission by operation of law of the right to, any Securities or interest of a Shareholder in the Company. The Company shall, within 30 (thirty) days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send a notice of refusal to the transferee and transferor or to the person giving notice of such transmission, as the case may be, giving reasons for such refusal. |
| | Provided that, registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other Person or Persons indebted to the Company on any account whatsoever except where the Company has a lien on shares. |
| | h. Subject to the provisions of these Articles, any transfer of shares in whatever lot should not be refused, though there would be no objection to the Company refusing to split a share certificate into several scripts of any small denominations or, to consider a proposal for transfer of shares comprised in a share certificate to several Shareholders, involving such splitting, if on the face of it such splitting/ transfer appears to be unreasonable or without a genuine need. The Company should not, therefore, refuse transfer of shares in violation of the listing requirements of the relevant Stock Exchanges on the ground that the number of shares to be transferred is less than any specified number. |
| | 20. . Subject to the applicable provisions of the Act and these Articles, the Directors shall have the absolute and uncontrolled discretion to refuse to register a Person entitled by transfer / transmission to any shares or his nominee as if he were the transferee named in any ordinary transfer presented for registration, and shall not be bound to give any reason for such refusal and in particular may also decline in respect of shares upon which the Company has a lien. |
| | 21. The Board may decline to recognise any instrument of transfer unless |

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| | the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56; |
| | the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and |
| | the instrument of transfer is in respect of only one class of shares. |
| | 22. On giving not less than seven days previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as |
| | the Board may from time to time determine |
| | Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year |
| | 23. i. On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares |
| | ii. Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons. |
| | 24. i. Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either |
| | a. to be registered himself as holder of the share; or |
| | b. to make such transfer of the share as the deceased or insolvent member could have made. |
| | ii. The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency. |
| | 25. i. If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects. |
| | ii. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share. |
| | iii. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member. |
| | 26 A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company: |
| | · Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with. |
| | 26 A DEMATERIALIZATION OF SECURITIES |
| | a. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its existing Securities, rematerialize its Securities held in the Depositories and/or to offer its fresh Securities in a dematerialized form pursuant to the Depositories Act, and the rules framed thereunder, if any. |
| | b. Subject to the applicable provisions of the Act, the Company may exercise an option to issue, dematerialize, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialized, in which event the rights and obligations of the parties concerned, and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act. |
| | c. If a Person opts to hold his Securities with a Depository, the Company shall intimate such Depository the details of allotment of the Securities and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the Securities. |
| | d. Securities in Depositories to be in fungible form: |
| | All Securities held by a Depository shall be dematerialized and be held in fungible form. Nothing contained in Sections 88, 89 and 186 of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners. |
| | e. Rights of Depositories & Beneficial Owners: |
| | (I) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the Registered Owner for the purposes of effecting transfer of ownership of Securities on behalf of the Beneficial Owner. |
| | (II) Save as otherwise provided in (i) above, the Depository as the Registered Owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it. |

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| | (III) Every person holding shares of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a Shareholder of the Company. |
| | (IV) The Beneficial Owner of Securities shall, in accordance with the provisions of these Articles and the Act, be entitled to all the rights and subject to all the liabilities in respect of his Securities, which are held by a Depository. |
| | f. Except as ordered by a court of competent jurisdiction or as may be required by Law required and subject to the applicable provisions of the Act, the Company shall be entitled to treat the person whose name appears on the Register as the holder of any share or whose name appears as the Beneficial Owner of any share in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognize any benami trust or equity, equitable contingent, future, partial interest, other claim to or interest in respect of such shares or (except only as by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has expressed or implied notice thereof but the Board shall at their sole discretion register any share in the joint names of any two or more persons or the survivor or survivors of them, subject to Article 17(l). |
| | g. Register and Index of Beneficial Owners: |
| | The Company shall cause to be kept a register and index of members with details of shares and debentures held in materialized and dematerialized forms in any media as may be permitted by Law including any form of electronic media. |
| | The register and index of Beneficial Owners maintained by a Depository under the Depositories Act shall be deemed to be a register and index of members for the purposes of this Act. The Company shall have the power to keep in any state or country outside India a register resident in that state or country. |
| | h. Cancellation of Certificates upon surrender by Person: |
| | Upon receipt of certificate of securities on surrender by a person who has entered into an agreement with the Depository through a participant, the Company shall cancel such certificates and shall substitute in its record, the name of the Depository as the registered owner in respect of the said Securities and shall also inform the Depository accordingly. |
| | i. Service of Documents: |
| | Notwithstanding anything contained in the Act or these Articles to the contrary, where Securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs. |
| | j. Transfer of Securities: |
| | (I) Nothing contained in Section 56 of the Act, or these Articles shall apply to a transfer of Securities effected by transferor and transferee both of whom are entered as Beneficial Owners in the records of a Depository. |
| | (II) In the case of transfer or transmission of shares or other Securities where the Company has not issued any certificates and where such shares or Securities are being held in any electronic or fungible form in a Depository, the provisions of the Depositories Act shall apply. |
| | k. Allotment of Securities dealt with in a Depository: |
| | Notwithstanding anything in the Act or these Articles, where Securities are dealt with by a Depository, the Company shall intimate the details of allotment of relevant Securities thereof to the Depository immediately on allotment of such Securities. |
| | l. Certificate Number and other details of Securities in Depository: |
| | Nothing contained in the Act or these Articles regarding the necessity of having certificate number/distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository. |
| | m. Provisions of Articles to apply to Shares held in Depository: |
| | Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository so far as they apply to shares held in physical form subject to the provisions of the Depositories Act. |
| | n. Depository to furnish information: |
| | Every Depository shall furnish to the Company information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by Law and the Company in that behalf. |
| | o. Option to opt out in respect of any such Security : |
| | Subject to compliance with applicable Law, if a Beneficial Owner seeks to opt out of a Depository in respect of any Security, he shall inform the Depository accordingly. The Depository shall on receipt of such information make appropriate entries in its records and shall inform the Company. The Company shall within 30 (thirty) days of the receipt of intimation from a Depository and on fulfilment of such conditions |

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| | and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be. |
| | p. Overriding effect of this Article: |
| | Provisions of this Article will have full effect and force notwithstanding anything to the contrary or inconsistent contained in any other Articles. |
| | 2. a. 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, in new certificate maybe issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under this Article shall be issued upon payment of such fees for each certificate as may be specified by the Board(which fees shall not exceed the maximum amount permitted under the applicable law) provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer. Provided that notwithstanding what is stated above, the Directors shall comply with such rules or regulation or requirements of any stock exchange or the rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other act or rules applicable in this behalf. The provision of this Article shall mutatis mutandis Apply to debentures of the Company. |
| | b. The Company shall be entitled to dematerialise its existing Shares, rematerialize its Shares held in the depository and/or to offer its fresh shares in a dematerialised form pursuant to the Depositories Act, and the regulations framed there under, if any. |
| | c. 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 is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deems 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 Articles shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding rupees fifty for each certificate) as the Directors shall prescribe. Provided that, no fee shall be charged for issue of a new certificate in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer. |
| | Provided that notwithstanding what is stated above, the Directors shall comply with the applicable provisions of the Act and Law. |
| | d. The provisions of this Article shall mutatis mutandis apply to Debentures and other Securities of the Company. |
| | e. When a new share certificate has been issued in pursuance of sub-article (e) of this Article, it shall be in the form and manner stated under the Companies (Share Capital and Debentures) Rules, 2014. |
| | f. All blank forms to be used for issue of share certificates shall be printed and the printing shall be done only on the authority of a resolution of the Board. The blank forms shall be consecutively machine–numbered and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or of such other person as the Board may authorize for the purpose and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board. Every forfeited or surrendered share held in material form shall continue to bear the number by which the same was originally distinguished. |
| | g. The Secretary of the Company shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates including the blank forms of the share certificate referred to in sub- article (g) of this Article. |
| | h. All books referred to in sub-article (h) of this Article, shall be preserved in the manner specified in the Companies (Share Capital and Debentures) Rules, 2014. |
| | i. The details in relation to any renewal or duplicate share certificates shall be entered into the register of renewed and duplicate share certificates, as prescribed under the Companies (Share Capital and Debentures) Rules, 2014. |
| | j. If any Shares stands in the names of 2 (two) or more Persons, the Person first named in the Register of Members shall as regards receipt of Dividends or bonus, or service of notices and all or any other matters connected with the Company except voting at meetings and the transfer of shares, be deemed the sole holder thereof, but the joint holders of such Shares shall be severally as well as jointly liable for the payment of all deposits, instalments and calls due in respect of such Shares, and for all incidents thereof according to these Articles. |
| | k. Except as ordered by a court of competent jurisdiction or as may be required by Law, the Company shall be entitled to treat the Shareholder whose name appears on the Register of Members as the holder of such |

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| | Equity Shares or whose name appears as the beneficial owner of such Equity Shares in the records of the Depository, as the absolute owner thereof and accordingly shall not be bound to recognise any benami, trust or equity or equitable, contingent or other claim to or interest in such Equity Shares on the part of any other Person whether or not such Shareholder shall have express or implied notice thereof. The Board shall be entitled at their sole discretion to register any Equity Shares in the joint names of any 2 (two) or more Persons or the survivor or survivors of them. The Company shall not be bound to register more than 3 (three) persons as the joint holders of any share except in the case of executors or trustees of a deceased member. |
| | 3. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder. |
| | 4. (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder. |
| | (ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under subsection (6) of section 40. |
| | (iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or |
| | partly in the one way and partly in the other. |
| | 5. The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder. The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under subsection (6) of section 40. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other. |
| | 6. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class. |
| | (ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one third of the issued shares of the class in question. |
| | 7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking <i>pari passu</i> therewith. |
| | 8. Subject to the provisions of section 55, any preference shares may, with the sanction of an Special resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine. |
| | 27. Not Applicable |
| | Forfeiture of shares |
| | 28. If any Shareholder fails to pay any call or instalment of a call or any part thereof or any money 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 or any such extension thereof as aforesaid, the Board may, at any time thereafter, during such time as the call or instalment or any part thereof or other money remain unpaid or a judgment or decree in respect thereof remain unsatisfied, give notice to such Shareholder or his legal representatives requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment. |
| | 29. The notice shall name a day, (not being less than 14 (fourteen) days from the date of service of notice), and a place or places on or before which such call or instalment or such part or other money as aforesaid and interest thereon, (at such rate as the Board shall determine and payable from the date on which such call or instalment ought to have been paid), and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or instalment is payable, will be liable to be forfeited. |
| | 30. If the requirements of any such notice as aforesaid are not be complied with, any share in respect of which such notice has been given, may at any time, thereafter before payment of all calls, instalments, other money due in respect thereof, interest and expenses as required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all Dividends declared or any other |

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| | money payable in respect of the forfeited share and not actually paid before the forfeiture subject to the applicable provisions of the Act. |
| | 31. i. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit. |
| | ii. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit. |
| | 32. i. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares. |
| | ii. The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares. |
| | 33. i. A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share; |
| | ii. The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of; |
| | iii. The transferee shall thereupon be registered as the holder of the share; and |
| | iv. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share. |
| | 34. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified. |
| | Alteration of capital |
| | 35. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution. |
| | 36. Subject to these Articles and Section 61 of the Act, the Company may, by an Ordinary Resolution in General Meeting from time to time, alter the conditions of its Memorandum as follows, that is to say, it may: |
| | a. increase its Share Capital by such amount as it thinks expedient; |
| | b. consolidate and divide all or any of its Share Capital into shares of larger amount than its existing shares : |
| | c. Provided that no consolidation and division which results in changes in the voting percentage of Shareholders shall take effect unless it is approved by the Tribunal on an application made in the prescribed manner; |
| | d. convert all or any of its fully Paid up shares into stock, and reconvert that stock into fully Paid up shares of any denomination; |
| | e. sub-divide its existing Shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so, however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; and |
| | f. cancel its Shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its Share Capital by the amount of the shares so cancelled. Cancellation of shares in pursuance of this Article shall not be deemed to be reduction of Share Capital within the meaning of the Act |
| | 36.1 REDUCTION OF SHARE CAPITAL |
| | The Company may, subject to the applicable provisions of the Act, from time to time by a Special Resolution, reduce its Capital, any capital redemption reserve account and the securities premium account in any manner for the time being authorized by Law. This Article is not to derogate any power the Company would have under Law, if it were omitted. |
| | 36.2 POWER TO MODIFY RIGHTS |
| | a. Where, the Capital, is divided (unless otherwise provided by the terms of issue of the shares of that class) into different classes of shares, all or any of the rights and privileges attached to each class may be varied, subject to the provisions of Section 48 of the Act and applicable Laws, and whether or not the Company is being wound up, be varied provided the same is affected with consent in writing of the holders of not less than three-fourths of the issued shares of that class or by way of a Special Resolution passed at a separate meeting of the holders of the issued shares of that class. |

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| | b. To every such separate meeting, the provisions of these Articles relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question. |
| | c. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith. |
| | 36.3 SHARES AT THE DISPOSAL OF THE DIRECTORS |
| | a. Subject to the provisions of Section 62 and other applicable provisions of the Act, and these Articles, the shares in the Capital of the Company for the time being (including any shares forming part of any increased Capital of the Company) shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to Persons in such proportion and on such terms and conditions and either at a premium or at par at such time as they may, from time to time, think fit. |
| | b. Subject to applicable Law, the Directors are hereby authorised to issue Equity Shares or Debentures (whether or not convertible into Equity Shares) for offer and allotment to such of the officers, employees and workers of the Company as the Directors may decide or the trustees of such trust as may be set up for the benefit of the officers, employees and workers in accordance with the terms and conditions of such scheme, plan or proposal as the Directors may formulate. Subject to the consent of the Stock Exchanges and SEBI, the Directors may impose the condition that the shares in or debentures of the Company so allotted shall not be transferable for a specified period. |
| | c. If, by the conditions of allotment of any share, the whole or part of the amount thereof shall be payable by instalments, every such instalment shall, when due, be paid to the Company by the person who, for the time being, shall be the registered holder of the shares or by his executor or administrator. |
| | d. Every Shareholder, or his heirs, Executors, or Administrators 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 Articles require or fix for the payment thereof. |
| | e. In accordance with Section 56 and other applicable provisions of the Act and the Rules: |
| | (I) Every Shareholder or allottee of shares shall be entitled without payment, to receive one or more certificates specifying the name of the Person in whose favour it is issued, the shares to which it relates and the amount paid up thereon. Such certificates 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 coupon of requisite value, save in cases of issue of share certificates against letters of acceptance or of renunciation, or in cases of issue of bonus shares. Such share certificates shall also be issued in the event of consolidation or sub-division of shares of the Company. Every such certificate shall be issued in the manner prescribed under section 46 of the Act and the Rules framed thereunder. 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. A certificate issued under the Seal of the Company, if any, or signed by two Directors or by a Director and the Secretary, specifying the Shares held by any Person shall be prima facie evidence of the title of the Person to such Shares. Where the Shares are held in depository form, the record of Depository shall be the prima facie evidence of the interest of the beneficial owner. |
| | (II) Every Shareholder shall be entitled, without payment, to one or more certificates, in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within 2 (two) months from the date of allotment in case of Shares and 6 (six) months from the date of allotment in case of Debentures, or within 1 (one) month of the receipt of instrument of transfer, transmission, sub-division, consolidation or renewal of its shares as the case may be. Every certificate of shares shall be in the form and manner as specified in Article 17 above and 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 the first named joint holders shall be sufficient delivery to all such holders. For any further certificate, the Board shall be entitled but shall not be bound, to prescribe a charge not exceeding Rs. 20 (Rupees 20). |
| | (III) the Board may, at their absolute discretion, refuse any applications for the sub-division of share certificates or Debenture certificates, into denominations less than marketable lots except where sub-division is required to be made to comply with any statutory provision or an order of a competent court of law or at a request from a Shareholder or to convert holding of odd lot into transferable/marketable lot. Where share certificates are issued in either more or less than marketable lots, sub-division or consolidation of share certificates into marketable lots shall be done free of charge. |
| | (IV) 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 |

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| | rubber stamp, provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose. |
| | 36.4 UNDERWRITING AND BROKERAGE |
| | a. Subject to the applicable provisions of the Act, the Company may at any time pay a commission to any person in connection with the subscription or procurement of subscription to its securities, whether absolute or conditional, for any shares or Debentures in the Company in accordance with the provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014. |
| | b. The Company may also, on any issue of shares or Debentures, pay such reasonable brokerage as may be lawful. |
| | 36.5. FURTHER ISSUE OF SHARE CAPITAL |
| | a. Where at any time, the Company proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered— |
| | (I) to persons who, at the date of the offer, are holders of Equity Shares of the Company in proportion, as nearly as circumstances admit, to the Paid-up Share Capital on those shares by sending a letter of offer subject to the following conditions, namely: |
| | A. the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than 15 (fifteen) days and not exceeding 30 (thirty) days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined; |
| | B. the offer aforesaid shall be deemed to include a right exercisable by the Person concerned to renounce the shares offered to him or any of them in favour of any other Person; and the notice referred to in Article 20(a)(i)A above shall contain a statement of this right; |
| | C. after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the Person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner which is not disadvantageous to the Shareholders and the Company. |
| | (II) to employees under a scheme of employees' stock option, subject to Special Resolution passed by the Company and subject to the Rules and such other conditions, as may be prescribed under Law; or |
| | (III) to any persons, if it is authorised by a Special Resolution, whether or not those Persons include the Persons referred to in sub-articles (i) or Article (ii) above, either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to the Rules and such other conditions, as may be prescribed under Law. |
| | b. The notice referred to in sub-clause A of Article 20(a)(i)(A) shall be dispatched through registered post or speed post or through electronic mode to all the existing Shareholders at least 3 (three) days before the opening of the issue. |
| | c. Nothing in this Article shall apply to the increase of the subscribed capital of a Company caused by the exercise of an option as a term attached to the Debentures issued or loan raised by the Company to convert such Debentures or loans into shares in the Company. |
| | Provided that the terms of issue of such Debentures or loan containing such an option have been approved before the issue of such Debentures or the raising of loan by a Special Resolution passed by the Company in a General Meeting. |
| | d. The provisions contained in this Article shall be subject to the provisions of Section 42 and Section 62 of the Act and the Rules. |
| | 36.6 POWER OF COMPANY TO PURCHASE ITS OWN SECURITIES |
| | Pursuant to a resolution of the Board or a Special Resolution of the Shareholders, as required under the Act, the Company may purchase its own Equity Shares or other Securities, as may be specified by the Act read with Rules made there under from time to time, by way of a buy- back arrangement, in accordance with Sections 68, 69 and 70 of the Act, the Rules and subject to compliance with the applicable Laws. |
| | 37. a. The Company in General Meeting may, by Ordinary Resolution, convert any Paid-up shares into stock and when any shares shall have been converted into stock, the several holders of such stock may henceforth transfer their respective interest therein, or any part of such interests, in the same manner and subject to the same regulations as those subject to which shares from which the stock arose might have been transferred, if no such conversion had taken place or as near thereto as circumstances will admit. The Company may, by an Ordinary Resolution, at any time reconvert any stock into Paid-up shares of any denomination. Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so however such minimum shall not exceed the nominal account from which the stock arose. |
| | b. The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards Dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose, but no such privileges or advantages, (except participation in the Dividends and profits of the Company and in the assets on winding-up), shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage. |

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| | c. Where the shares are converted into stock, such of the Articles as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stockholder” respectively. |
| | 38. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law, its share capital; any capital redemption reserve account; or any share premium account and in particular without prejudice to the generality of the foregoing power may be (i) extinguishing or reducing the liability on any of its shares in respect of share capital not paid up; (ii) either with or without extinguishing or reducing liability on any of its shares (a) cancel paid up share capital which is lost or is unrepresented by available assets or (b) pay off any paid up share capital which is in excess of the wants of the company, and may, if and so far as is necessary, alter its Memorandum, by reducing the amount of its share capital and of its shares accordingly. |
| | Capitalisation of profits |
| | 39. (i) The company in general meeting may, upon the recommendation of the Board, resolve- |
| | (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company’s reserve accounts, or to the credit of the, profit and loss account, or otherwise available for distribution; and |
| | (b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions. |
| | (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards- |
| | (A) paying up any amounts for the time being unpaid on any shares held by such members respectively; |
| | (B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid; |
| | (C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B); |
| | (D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares; |
| | (E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation. |
| | 40.i) Whenever such a resolution as aforesaid shall have been passed, the Board shall- |
| | (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and |
| | (b) generally do all acts and things required to give effect thereto. |
| | (ii) The Board shall have power- |
| | (a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and |
| | (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares; |
| | (iii) Any agreement made under such authority shall be effective and binding on such members. |
| | 40 A RESOLUTION FOR CAPITALISATION OF RESERVES AND ISSUE OF FRACTIONAL CERTIFICATE |
| | a. The Board shall give effect to a Resolution passed by the Company in pursuance of this Article 28. |
| | b. Whenever such a Resolution as aforesaid shall have been passed, the Board shall : |
| | (I) make all appropriation and applications of undivided profits (resolved to be capitalized thereby), and all allotments and issues of fully paid shares or Securities, if any; and |
| | (II) generally do all acts and things required to give effect thereto. |
| | c. The Board shall have full power : |
| | (I) to make such provisions, by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit, in the case of shares or debentures becoming distributable in fraction; and |
| | (II) to authorize any person, on behalf of all the Shareholders entitled thereto, to enter into an agreement with the Company providing for the allotment to such Shareholders, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalization or (as the case may require) for the payment of by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any parts of the amounts remaining unpaid on the shares. |
| | d. Any agreement made under such authority shall be effective and binding on all such shareholders. |

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| | Buy-back of shares |
| | 41. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its |
| | own shares or other specified securities. |
| | General meetings |
| | 42. In accordance with the provisions of Section 96 of the Act, the Company shall in each year hold a General Meeting specified as its Annual General Meeting and shall specify the meeting as such in the notices convening such meetings. Further, subject to the provisions of the Act, not more than 15 (fifteen) months' gap shall elapse between the date of one Annual General Meeting and that of the next. |
| | WHEN ANNUAL GENERAL MEETING TO BE HELD |
| | Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96 (1) of the Act to extend the time within which any Annual General Meeting may be held. |
| | VENUE, DAY AND TIME FOR HOLDING ANNUAL GENERAL MEETING |
| | a. Every Annual General Meeting shall be called during business hours as specified under the Act or Rules on a day that is not a national holiday, and shall be held at the Office of the Company or at some other place within the city, town or village in which the Office of the Company is situated, as the Board may determine and the notices calling the Meeting shall specify it as the Annual General Meeting. |
| | b. Every Shareholder of the Company shall be entitled to attend the Annual General Meeting either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor. At every Annual General Meeting of the Company there shall be laid on the table, the Directors' Report and Audited Statement of Accounts, Auditors' Report, (if not already incorporated in the Audited Statement of Accounts), the proxy Register with proxies and the Register of Directors' shareholdings which latter Register shall remain open and accessible during the continuance of the Meeting. The Board shall cause to be prepared the Annual Return and forward the same to the Registrar, in accordance with Sections 92 and 137 of the Act. The Directors are also entitled to attend the Annual General Meeting. |
| | NOTICE OF GENERAL MEETINGS |
| | a. Number of days' notice of General Meeting to be given : A General Meeting of the Company may be called by giving not less than 21 (twenty one) days clear notice in writing or in electronic mode, excluding the day on which notice is served or deemed to be served. However, a General Meeting may be called after giving shorter notice if consent is given in writing or by electronic mode by not less than 95 (ninety five) percent of the Shareholders entitled to vote at that meeting. |
| | The notice of every meeting shall be given to: |
| | (I) every Shareholder, legal representative of any deceased Shareholder or the assignee of an insolvent member of the Company; |
| | (II) Auditor or Auditors of the Company; and |
| | (III) All Directors. |
| | The accidental omission to give any such notice as aforesaid to any of the Shareholders, or the non-receipt thereof, shall not invalidate any resolution passed at any such meeting. |
| | b. Notice of meeting to specify place, etc., and to contain statement of business : Notice of every meeting of the Company shall specify the place, date, day and hour of the meeting, and shall contain a statement of the business to be transacted thereat shall be given in the manner prescribed under Section 102 of the Act. |
| | c. Contents and manner of service of notice and Persons on whom it is to be served : Every notice may be served by the Company on any Shareholder thereof either in writing or through electronic mode as prescribed in the Act and relevant Rules thereunder personally or by sending it by post to their/its registered address in India and if there be no registered address in India, to the address supplied by the Shareholder to the Company for giving the notice to the Shareholder. |
| | d. Special Business : Subject to the applicable provisions of the Act, where any items of business to be transacted at the meeting are deemed to be special, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each item of business including any particular nature of the concern or interest if any therein of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the relatives of any of the aforesaid and where any item of special business relates to or affects any other company, the extent of shareholding interest in that other company of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the relatives of any of the aforesaid of the first mentioned company shall also be set out in the statement if the extent of such interest is not less than 2 per cent of the paid up share capital of that other company. All business |

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| | transacted at any meeting of the Company shall be deemed to be special. In case of an Annual General Meeting of the Company, all business to be transacted thereat shall be deemed to be special with the exception of the business specified in Section 102 of the Act. |
| | e. Resolution requiring Special Notice: With regard to resolutions in respect of which special notice is required to be given by the Act, a special notice shall be given as required by Section 115 of the Act. |
| | f. Notice of Adjourned Meeting when necessary: When a meeting is adjourned for 30 (thirty) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting in accordance with the applicable provisions of the Act. |
| | g. Notice when not necessary: 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. |
| | h. The notice of the General Meeting shall comply with the provisions of Companies (Management and Administration) Rules, 2014. |
| | 43. REQUISITION OF EXTRAORDINARY GENERAL MEETING |
| | a. The Board may, whenever it thinks fit, call an Extraordinary General Meeting or it shall do so upon a requisition received from such number of Shareholders who hold, on the date of receipt of the requisition, not less than one-tenth of such of the Paid up Share Capital of the Company as on that date carries the right of voting and such meeting shall be held at the Office or at such place and at such time as the Board thinks fit. |
| | b. Any valid requisition so made by Shareholders must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the Office; provided that such requisition may consist of several documents in like form each signed by one or more requisitionists. |
| | c. Upon the receipt of any such valid requisition, the Board shall forthwith call an Extraordinary General Meeting and if they do not proceed within 21 (twenty -one) days from the date of the requisition being deposited at the Office to cause a meeting to be called on a day not later than 45 (forty-five) days from the date of deposit of the requisition, the requisitionists or such of their number as represent either a majority in value of the Paid up Share Capital held by all of them or not less than one-tenth of such of the Paid-up Share Capital of the Company as is referred to in Section 100 of the Act, whichever is less, may themselves call the meeting, but in either case any meeting so called shall be held within three months from the date of the delivery of the requisition as aforesaid. |
| | d. Any meeting called under the foregoing sub-articles by the requisitionists, shall be called in the same manner, as nearly as possible, as that in which a meeting is to be called by the Board. |
| | e. No General Meeting, Annual or Extraordinary, shall be competent to enter into, discuss or transact any business which has not been mentioned in the notice or notices by which it was convened. |
| | f. The Extraordinary General Meeting called under this Article shall be subject to and in accordance with the provisions under the Act read with the Companies (Management and Administration) Rules, 2014. |
| | Proceedings at general meetings |
| | 44. The quorum for the Shareholders' Meeting shall be in accordance with Section 103 of the Act. Subject to the provisions of Section 103(2) of the Act, if such a quorum is not present within half an hour from the time set for the Shareholders' Meeting, the meeting if convened by or upon the requisition of Members, shall stand dissolved but in case of any other Shareholders' Meeting shall be adjourned to the same day in the next week or if that day is a public holiday until the next succeeding day which is not a public holiday at the same time and place or to such other day at such other time and place as the Board may determine and the agenda for the adjourned Shareholders' Meeting shall remain the same. If at such adjourned meeting also, a quorum is not present, at the expiration of half an hour from the time appointed for holding the meeting, the members present shall be a quorum, and may transact the business for which the meeting was called. |
| | 45. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company. |
| | 46. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting. |
| | 47. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting. |
| | 48. Not Applicable |
| | Adjournment of meeting |
| | 49. i. The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place. |

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| | ii. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. |
| | iii. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. |
| | iv. Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting. |
| | DEMAND FOR POLL |
| | a. At any General Meeting, a resolution put to the vote of the General Meeting shall, unless a poll is demanded in accordance with the Act, be decided in the manner set out in the Act. Before or on the declaration of the result of the voting on any resolution by a show of hands, a poll may be carried out in accordance with the applicable provisions of the Act, or the voting is carried out electronically. Unless a poll is demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried or carried unanimously, or by a particular majority, or lost and an entry to that effect in the Minute Book of the Company shall be conclusive evidence of the fact, of passing of such resolution or otherwise. |
| | b. In the case of equal votes, the Chairman shall both on a show of hands and at a poll, (if any), have a casting vote in addition to the vote or votes to which he may be entitled as a Shareholder. |
| | c. If a poll is demanded as aforesaid, the same shall subject to anything stated in these Articles be taken at such time, (not later than forty-eight hours from the time when the demand was made), and place within the city, town or village in which the Office of the Company is situate and either by a show of hands or by ballot or by postal ballot, as the Chairman shall direct and either at once or after an interval or adjournment, or otherwise and the result of the poll shall be deemed to be the decision of the meeting at which the poll was demanded. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll. The demand for a poll may be withdrawn at any time by the Person or Persons who made the demand. |
| | d. Where a poll is to be taken, the Chairman of the meeting shall appoint such number of scrutinizers as prescribed under the Act and Rules to scrutinise the votes given on the poll and to report thereon to him. The Chairman shall have power at any time before the result of the poll is declared, to remove a scrutinizers from office and fill vacancies in the office of scrutinizers arising from such removal or from any other cause. |
| | e. Any poll duly demanded on the election of a Chairman of a meeting or any question of adjournment, shall be taken at the meeting forthwith. |
| | f. 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. |
| | g. No report of the proceedings of any General Meeting of the Company shall be circulated or advertised at the expense of the Company unless it includes the matters required by these Articles or Section 118 of the Act to be contained in the Minutes of the proceedings of such meeting. |
| | h. The Shareholders will do nothing to prevent the taking of any action by the Company or act contrary to or with the intent to evade or defeat the terms as contained in these Articles. |
| | PASSING RESOLUTIONS BY POSTAL BALLOT |
| | a. Notwithstanding any of the provisions of these Articles, the Company may, and in the case of resolutions relating to such business as notified under the Companies (Management and Administration) Rules, 2014, as amended, or other Law required to be passed by postal ballot, shall get any resolution passed by means of a postal ballot, instead of transacting the business in the General Meeting of the Company. Also, the Company may, in respect of any item of business other than ordinary business and any business in respect of which Directors or Auditors have a right to be heard at any meeting, transact the same by way of postal ballot. |
| | b. Where the Company decides to pass any resolution by resorting to postal ballot, it shall follow the procedures as prescribed under Section 110 of the Act and the Companies (Management and Administration) Rules, 2014, as amended from time. |
| | Voting rights |
| | 50. Subject to any rights or restrictions for the time being attached to any class or classes of shares, - |
| | (a) on a show of hands, every member present in person shall have one vote; and |
| | (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company. |
| | 51. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once. |
| | 52. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. |

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| | (ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members. |
| | 53. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy. |
| | 54. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll. |
| | 55. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid |
| | 56. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meetings at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. |
| | (ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive. |
| | VOTES OF MEMBERS |
| | 56 (3) a. No Shareholder 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 or upon a poll in respect of any shares registered in his name on which calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien. |
| | b. Subject to the provisions of these Articles, without prejudice to any special privilege or restrictions as to voting for the time being attached to any class of shares for the time being forming a part of the Capital of the Company, every Shareholder not disqualified by the last preceding Article, shall be entitled to be present, and to speak and vote at such meeting, and on a show of hands, every Shareholder present in person shall have one vote and upon a poll, the voting right of such Shareholder present, either in person or by proxy, shall be in proportion to his share of the Paid Up Share Capital of the Company held alone or jointly with any other Person or Persons. |
| | Provided however, if any Shareholder holding Preference shares be present at any meeting of the Company, save as provided in Section 47(2) of the Act, he shall have a right to vote only on resolutions placed before the Meeting, which directly affect the rights attached to his preference shares. |
| | c. On a poll taken at a meeting of the Company, a Shareholder entitled to more than one vote, or his proxy, or any other Person entitled to vote for him (as the case may be), need not, if he votes, use or cast all his votes in the same way. |
| | d. A Shareholder of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, through a committee or through his legal guardian; and any such committee or guardian may, on a poll vote by proxy. If any Shareholder be a minor his vote in respect of his Share(s) shall be exercised by his guardian(s), who may be selected (in case of dispute) by the Chairman of the meeting. |
| | e. If there be joint registered holders of any shares, any one of such Persons may vote at any meeting or may appoint another Person, (whether a Shareholder or not) as his proxy in respect of such shares, as if he were solely entitled thereto; but the proxy so appointed shall not have any right to speak at the meeting and if more than one of such joint-holders be present at any meeting, then one of the said Persons so present whose name stands higher in the Register of Members shall alone be entitled to speak and to vote in respect of such shares, but the other joint - holders shall be entitled to be present at the meeting. Executors or Administrators of a deceased Shareholder in whose name shares stand shall for the purpose of these Articles be deemed joint holders thereof. |
| | f. Subject to the provision of these Articles, votes may be given personally or by an attorney or by proxy. A body corporate, whether or not a Company within the meaning of the Act, being a Shareholder may vote either by a proxy or by a representative duly authorised in accordance with Section 113 of the Act and such representative shall be entitled to exercise the same rights and powers, (including the right to vote by proxy), on behalf of the body corporate which he represents as that body could have exercised if it were an individual Shareholder. |
| | g. Any Person entitled to transfer any shares of the Company 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 forty-eight hours at least 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 Board of his right to such shares and give such indemnity (if any) as the Board may require unless the Board shall have previously admitted his right to vote at such meeting in respect thereof. |
| | h. Every proxy, (whether a Shareholder or not), shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporation under the seal of such corporation or be signed by an |

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| | officer or an attorney duly authorised by it, and any committee or guardian may appoint proxy. The proxy so appointed shall not have any right to speak at a meeting. |
| | i. An instrument of proxy may appoint a proxy either for (i) the purposes of a particular meeting (as specified in the instrument) or (ii) for any adjournment thereof or (iii) it may appoint a proxy for the purposes of every meeting of the Company, or (iv) of every meeting to be held before a date specified in the instrument for every adjournment of any such meeting. |
| | j. A Shareholder present by proxy shall be entitled to vote only on a poll. |
| | k. Every instrument of proxy whether for a specified meeting or otherwise should, as far as circumstances admit, be in any of the forms set out under Section 105 and other provisions of the Act and in the Companies (Management and Administration) Rules, 2014. |
| | l. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal, or revocation of the proxy or of any power of attorney under which such proxy was signed, or the transfer of the Share in respect of which the vote is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the Office before the meeting. |
| | m. 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. Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive. |
| | n. The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be in the sole judge of the validity of every vote tendered at such poll. |
| | (I) The Company shall cause minutes of the proceedings of every General Meeting to be kept by making within 30 (thirty) days of the conclusion of every such meeting concerned, entries thereof in books kept for that purpose with their pages consecutively numbered. |
| | (II) Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the same meeting within the aforesaid period of 30 (thirty) days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for that purpose. |
| | (III) The Minutes of each meeting shall contain a fair and correct summary of the proceedings thereat. |
| | (IV) All appointments of Directors of the Company made at any meeting aforesaid shall be included in the minutes of the meeting. |
| | (V) Nothing herein contained shall require or be deemed to require the inclusion in any such Minutes of any matter which in the opinion of the Chairman of the Meeting (i) is or could reasonably be regarded as, defamatory of any person, or (ii) is irrelevant or immaterial to the proceedings, or (iii) is detrimental to the interests of the Company. The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the Minutes on the aforesaid grounds. |
| | (VI) Any such Minutes shall be evidence of the proceedings recorded therein. |
| | (VII) The book containing the Minutes of proceedings of General Meetings shall be kept at the Office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than two hours in each day as the Board determines, for the inspection of any Shareholder without charge. |
| | (VIII) The Company shall cause minutes to be duly entered in books provided for the purpose of: |
| | A. the names of the Directors and Alternate Directors present at each General Meeting; |
| | B. all Resolutions and proceedings of General Meeting. |
| | o. All matters arising at a General Meeting of the Company, other than as specified in the Act or these Articles if any, shall be decided by a majority vote. |
| | p. Any corporation which is a Shareholder of the Company may, by resolution of the Board or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company and the said person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could have exercised if it were an individual Shareholder in the Company (including the right to vote by proxy). |
| | q. The Company shall also provide e-voting facility to the Shareholders of the Company in terms of the provisions of the Companies (Management and Administration) Rules, 2014, SEBI Listing Regulations or any other Law, if applicable to the Company. |
| | PASSING RESOLUTIONS BY POSTAL BALLOT |
| | 56(iv) a. Notwithstanding any of the provisions of these Articles, the Company may, and in the case of resolutions relating to such business as notified under the Companies (Management and Administration) Rules, 2014, as amended, or other Law required to be passed by postal ballot, shall get any resolution passed by means of a postal ballot, instead of transacting the business in the General Meeting of the Company. |

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| | Also, the Company may, in respect of any item of business other than ordinary business and any business in respect of which Directors or Auditors have a right to be heard at any meeting, transact the same by way of postal ballot. |
| | b. Where the Company decides to pass any resolution by resorting to postal ballot, it shall follow the procedures as prescribed under Section 110 of the Act and the Companies (Management and Administration) Rules, 2014, as amended from time. |
| | Proxy |
| | 57. 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. |
| | 58. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105. |
| | 59. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given: Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used. |
| | Board of Directors |
| | 60. a. Subject to the applicable provisions of the Act, the number of Directors of the Company shall not be less than 3 (three) and not more than 15 (fifteen). However, the Company may at any time appoint more than 15 (fifteen) directors after passing Special Resolution at a General Meeting. The Company shall also comply with the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the provisions of the SEBI Listing Regulations. The Board shall have an optimum combination of executive and Independent Directors with at least 1 (one) woman Director, as may be prescribed by Law from time to time. |
| | b. Subject to Article 41(a), Sections 149, 152 and 164 of the Act and other provisions of the Act, the Company may increase or reduce the number of Directors. |
| | c. The Company may, and subject to the provisions of Section 169 of the Act, remove any Director before the expiration of his period of office and appoint another Director. |
| | The following shall be the First Directors of the Company: |
| | Mr. VEERAJMOHAN |
| | MRS.SAVITAPRADEEP |
| | 61. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day. |
| | (ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them- |
| | (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or |
| | (b) in connection with the business of the company. |
| | 62. The Board may pay all expenses incurred in getting up and registering the company. |
| | 63. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may |
| | think fit respecting the keeping of any such register. |
| | 64. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine |
| | 65. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose. |
| | CHAIRMAN OF THE BOARD OF DIRECTORS |
| | a. The members of the Board shall elect any one of them as the Chairman of the Board. The Chairman shall preside at all meetings of the Board and the General Meeting of the Company. The Chairman shall have a casting vote in the event of a tie. |
| | b. If for any reason the Chairman is not present at the meeting or is unwilling to act as Chairman, the members of the Board shall appoint any one of the remaining Directors as the Chairman. |
| | APPOINTMENT OF ALTERNATE DIRECTORS |

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| | Subject to Section 161 of the Act, the Board shall be entitled to nominate an alternate director to act for a director of the Company during such director's absence for a period of not less than 3 (three) months from India. The Board may appoint such a person as an Alternate Director to act for a director (hereinafter called "the Original Director") (subject to such person being acceptable to the Chairman) during the Original Director's absence. An Alternate Director appointed under this Article shall not hold office for a 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 the office of the Original Director is determined before he so returns to India, any provisions in the Act or in these Articles for automatic re-appointment shall apply to the Original Director and not to the Alternate Director. |
| | CASUAL VACANCY AND ADDITIONAL DIRECTORS |
| | Subject to the applicable provisions of the Act and these Articles, the Board shall have the power at any time and from time to time to appoint any qualified Person to be a Director either as an addition to the Board or to fill a casual vacancy but so that the total number of Directors shall not at any time exceed the maximum number fixed under Article 40. Any Person so appointed as an addition shall hold office only up to the earlier of the date of the next Annual General Meeting or at the last date on which the Annual General Meeting should have been held but shall be eligible for appointment by the Company as a Director at that meeting subject to the applicable provisions of the Act. |
| | DEBENTURE DIRECTORS |
| | If it is provided by a trust deed, securing or otherwise, in connection with any issue of Debentures of the Company, that any Person/lender or Persons/lenders shall have power to nominate a Director of the Company, then in the case of any and every such issue of Debentures, the Person/lender or Persons/lenders having such power may exercise such power from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to a Debenture Director. A Debenture Director may be removed from office at any time by the Person/lender or Persons/lenders in whom for the time being is vested the power under which he was appointed, and another Director may be appointed in his place. A Debenture Director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or be removed by the Company but shall automatically cease and vacate office as a Director if and when the Debentures are fully discharged. |
| | INDEPENDENT DIRECTORS |
| | The Company shall have such number of Independent Directors on the Board of the Company, as may be required in terms of the provisions of Section 149 of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 or any other Law, as may be applicable. Further, the appointment of such Independent Directors shall be in terms of the aforesaid provisions of Law and subject to the requirements prescribed SEBI Listing Regulations. |
| | NOMINEE DIRECTORS |
| | a. The Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any Law for the time being in force or of any agreement or by the Central Government or the State Government by virtue of its shareholding in a Government Company. |
| | b. So long as any moneys remain owing by the Company to The Industrial Development Bank of India, Industrial Finance Corporation of India, The Industrial Credit and Investment Corporation of India Limited, The Industrial Reconstruction Corporation of India Limited, Life Insurance Corporation of India, General Insurance Corporation of India, National Insurance Company Limited, The Oriental Fire & General Insurance Company Limited, The New India Assurance Company Limited, United India Insurance Company Ltd., Karnataka State Industrial Investment and Development Corporation Ltd. or any State Financial Corporation or any Financial Institution owned or controlled by the Central Government or any State Government or the Reserve Bank of India or by two or more of them by Central Government themselves (each of the above and Unit Trust of India are hereinafter referred to as the Corporation) out of any loans/debentures, assistance granted by them to the Company or so long as the Corporation holds or continues to hold Debentures/Shares in the Company as a result of any guarantee furnished by the Corporation on behalf of the Company and remaining outstanding, the Corporation shall have a right to appoint from time to time, any person as Director, Wholtime or non-Wholtime (which Director or Directors, is/are hereinafter referred to as 'Nominee Director/s') on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person in his or their places. The Board shall have no power to remove from the office of the Nominee Directors. At the option of the Corporation such Nominee Director/s shall not be liable to retirement by rotation. Subject as aforesaid, Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Directors of the Company. |
| | PERIOD OF HOLDING OF OFFICE BY NOMINEE DIRECTORS |
| | The Nominee Director/s so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation holds or continues to hold |

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| | Debentures/shares in the Company as a result of underwriting or by direct subscription or private placement or the liability of the Company arising out of the guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said powers shall ipso facto vacate such office immediately the moneys owing by the Company to the Corporation are paid off or on the Corporation ceasing to hold Debentures/ shares in the Company or on the satisfaction of liability of the Company arising out of any guarantee furnished by the Corporation. |
| | APPOINTMENT OF SPECIAL DIRECTORS |
| | On behalf of the Company, whenever Directors enter into a contract with any Government, Central, State or Local, any Bank or Financial institution or any person or persons (hereinafter referred to as “the appointer”) for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or for underwriting or entering into any other arrangement whatsoever the Directors shall have, subject to the provisions of Section 152 of the Act, the power to agree that such appointer shall have right to appoint or nominate by notice in writing addressed to the Company one or more Directors on the Board for such period and upon such conditions as may be mentioned in the agreement and that such Director or Directors may not be liable to retire by rotation nor be required to hold any qualification shares. The Directors may also agree that any such Director or Directors may be removed from time to time by the appointer entitled to appoint or nominate them and the appointer may appoint another or others in his or their place and also fill in any vacancy which may occur as a result of any such Director or Directors ceasing to hold that office for any reason whatsoever. The Directors appointed or nominated under this Article shall be entitled to exercise and enjoy all or any of the rights and privileges exercised and enjoyed by the Directors of the Company including payment of remuneration and travelling expenses to such Director or Directors as may be agreed by the Company with the appointer. |
| | NO QUALIFICATION SHARES FOR DIRECTORS |
| | A Director shall not be required to hold any qualification shares of the Company. |
| | REMUNERATION OF DIRECTORS |
| | a. Subject to the applicable provisions of the Act, the Rules, Law including the provisions of the SEBI Listing Regulations, a Managing Director or Managing Directors, and any other Director/s who is/are in the whole time employment of the Company may be paid remuneration either by a way of monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other, subject to the limits prescribed under the Act. |
| | b. Subject to the applicable provisions of the Act, a director (other than a Managing Director or an executive Director) may receive a sitting fee not exceeding such sum as may be prescribed by the Act or the central government from time to time for each meeting of the Board or any Committee thereof attended by him. |
| | c. The remuneration payable to each Director for every meeting of the Board or Committee of the Board attended by them shall be such sum as may be determined by the Board from time to time within the maximum limits prescribed from time to time by the Central Government pursuant to the first proviso to Section 197 of the Act. |
| | d. All fees/compensation to be paid to non-executive Directors including Independent Directors shall be as fixed by the Board subject to Section 197 and other applicable provisions of the Act, the Rules thereunder and of these Articles. Notwithstanding anything contained in this Article, the Independent Directors shall not be eligible to receive any stock options. |
| | SPECIAL REMUNERATION FOR EXTRA SERVICES RENDERED BY A DIRECTOR |
| | If any Director be called upon to perform extra services or special exertions or efforts (which expression shall include work done by a Director as a member of any Committee formed by the Directors), the Board may arrange with such Director for such special remuneration for such extra services or special exertions or efforts either by a fixed sum or otherwise as may be determined by the Board. Such remuneration may either be in addition, to or in substitution for his remuneration otherwise provided, subject to the applicable provisions of the Act. |
| | MISCELLANEOUS EXPENSES OF DIRECTORS |
| | In addition to the remuneration payable to them in pursuance of the Act, the Directors may be paid all travelling, hotel and other expenses properly incurred by them: (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or (b) in connection with the business of the Company. The rules in this regard may be framed by the Board of Directors from time to time. |
| | CONTINUING DIRECTORS |
| | The continuing Directors may act notwithstanding any vacancy in their body, but if, and so long as their number is reduced below the minimum number fixed by Article 40 hereof, the continuing Directors may act for the purpose of increasing the number of Directors to that number, or for summoning a General Meeting, but for no other purpose. |

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| | DISQUALIFICATION AND VACATION OF OFFICE BY A DIRECTOR |
| | a. A person shall not be eligible for appointment as a Director of the Company if he incurs any of the disqualifications as set out in section 164 and other relevant provisions of the Act. Further, on and after being appointed as a Director, the office of a Director shall ipso facto be vacated on the occurrence of any of the circumstances under section 167 and other relevant provisions of the Act. |
| | b. Subject to the applicable provisions of the Act, the resignation of a director shall take effect from the date on which the notice is received by the company or the date, if any, specified by the director in the notice, whichever is later. |
| | RELATED PARTY TRANSACTIONS AND DISCLOSURE OF INTEREST |
| | The Company shall comply with the applicable provisions of the Act, Rules framed thereunder and other relevant provisions of Law in respect of related party transactions and the Directors shall comply with the disclosure of interest provisions under the Act. |
| | RETIREMENT OF DIRECTORS BY ROTATION |
| | a. At every Annual General Meeting of the Company, one third of such of the Directors as are liable to retire by rotation in accordance with section 152 of the Act (excluding Independent Directors), or, if their number is not three or a multiple of three then the number nearest to one third shall retire from office, and they will be eligible for re- election. |
| | b. The Directors to retire by rotation shall be those who have been longest in office since their last appointment but as between persons who become Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot. Provided that and to the extent permissible under the Act, the Managing Director, joint managing director, deputy managing director, manager or whole-time Director(s) appointed or such other directors nominated pursuant to Articles 44 and 46 hereto shall not retire by rotation under this Article nor shall they be included in calculating the total number of Directors of whom one third shall retire from office under this Article. |
| | PROCEDURE, IF PLACE OF RETIRING DIRECTORS IS NOT FILLED UP |
| | a. If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a national holiday, at the same time and place. |
| | b. If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been reappointed at the adjourned meeting, unless : |
| | (I) at that meeting or at the previous meeting a resolution for the reappointment of such Director has been put to the meeting and lost; |
| | (II) retiring Director has, by a notice in writing addressed to the Company or its Board, expressed his unwillingness to be so reappointed; |
| | (III) he is not qualified or is disqualified for appointment; |
| | (IV) a resolution whether Special or Ordinary is required for the appointment or reappointment by virtue of any applicable provisions of the Act; or |
| | (V) Section 162 of the Act is applicable to the case. |
| | MANAGING DIRECTOR(S) / WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S) / MANAGER |
| | Subject to the provisions of Section 203 of the Act and other applicable provisions of the Act and of these Articles, the Board may appoint from time to time one or more of their Directors to be the Managing Director or joint managing director or whole time director or deputy managing director or manager of the Company on such terms and on such remuneration (in any manner, subject to it being permissible under the Act) partly as the Board may think fit in accordance with the applicable provisions of the Act and the Rules thereunder. Subject to the provisions of the Act, the Managing Director or Joint Managing Director or Whole-time Director or Deputy Managing Director or Manager of the Company so appointed by the Board shall not while holding that office, be subject to retirement by rotation or taken into account in determining the rotation of retirement of directors, but their appointment shall be subject to determination ipso facto if they cease from any cause to be a director or if the company in General Meeting resolve that their tenure of the office of Managing Director or Joint Managing Director or Whole-time Director or Deputy Managing Director or Manager be determined. |
| | PROVISIONS TO WHICH MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER ARE SUBJECT |
| | a. Unless permitted under the Act, the Company however, shall not appoint or employ at the same time more than one of the following categories of management personnel namely, a managing director and manager. |

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| | b. The remuneration of a Managing Director/ whole time director or executive director or manager shall (subject to Sections 196, 197 and other applicable provisions of the Act, the Rules thereunder and of these Articles and of any contract between him and the Company) be paid in the manner permitted under the Act. |
| | POWER AND DUTIES OF MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER |
| | Subject to the provisions of the Act, the Directors, may from time to time entrust and confer upon a Managing Director, whole time director(s), executive director(s) or managers for the time being such of the powers exercisable upon such terms and conditions and with such restrictions as they may think fit either collaterally with or to the exclusion of and in substitution for all or any of their own powers and from time to time revoke, withdraw, alter or vary ail or any of such powers. |
| | POWER TO BE EXERCISED BY THE BOARD ONLY BY MEETING |
| | Subject to the provisions of the Act, the Board shall exercise the following powers on behalf of the Company and the said powers shall be exercised only by resolutions passed at the meeting of the Board: |
| | a. to make calls on Shareholders in respect of money unpaid on their shares; |
| | b. to authorise buy-back of securities under Section 68 of the Act; |
| | c. to issue securities, including debentures, whether in or outside India; |
| | d. to borrow money(ies); |
| | e. to invest the funds of the Company; |
| | f. to grant loans or give guarantee or provide security in respect of loans; and |
| | g. any other matter which may be prescribed under the Act, Companies (Meetings of Board and its Powers) Rules, 2014 and the SEBI Listing Regulations to be exercised by the Board only by resolutions passed at the meeting of the Board. |
| | The Board may, by a resolution passed at a meeting, delegate to any Committee of Directors, the Managing Director, or to any person permitted by Law the powers specified in sub clauses (d) to (f) above. In respect of dealings between the company and its bankers the exercise by the company of the powers specified in clause (d) shall mean the arrangement made by the company with its bankers for the borrowing of money by way of overdraft or cash credit or otherwise and not the actual day to day operation on overdraft, cash credit or other accounts by means of which the arrangement so made is actually availed of. |
| | The aforesaid powers shall be exercised in accordance with the provisions of the Companies (Meetings of Board and its Powers) Rules, 2014 and shall be subject to the restrictions on the powers of the Board under section 180 of the Act. |
| | POWERS OF THE BOARD |
| | Subject to the applicable provisions of the Act, these Articles and other applicable provisions of Law: |
| | a. The Board shall be entitled to exercise all such power and to do all such acts and things as the Company is authorised to exercise and do under the applicable provisions of the Act or by the Memorandum and Articles of association of the Company. |
| | b. The Board is vested with the entire management and control of the Company, including as regards any and all decisions and resolutions to be passed, for and on behalf of the Company. |
| | Provided that the Board shall not, except with the consent of the Company by a Special Resolution:- |
| | (I) Sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking, of the whole, or substantially the whole, of any such undertaking. The term 'undertaking' and the expression 'substantially the whole of the undertaking' shall have the meaning ascribed to them under the provisions of Section 180 of the Act; |
| | (II) Remit, or give time for repayment of, any debt due by a Director; |
| | (III) Invest otherwise than in trust securities the amount of compensation received by the Company as a result of any merger or amalgamation; and |
| | (IV) Borrow money(ies) where the money(ies) to be borrowed together with the money(ies) already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of businesses), will exceed the aggregate of the paid-up capital of the Company and its free reserves. |
| | Provided further that prior permission of the Company in a General Meeting shall be required for making a contribution, in any Financial Year, to bonafide charitable and other funds in excess of an aggregate amount equivalent to 5 (five) % of the Company's average net profits for the 3 (three) immediately preceding Financial Years. |
| | c. Certain Powers of the Board |
| | Without prejudice to the general powers conferred by the last preceding Article 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 last preceding Article and other provisions of the Act, it is hereby declared that the Directors shall have the following powers, that is to say, power: |

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| | (I) To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the company. |
| | (II) Payment out of Capital: To pay and charge to the capital account of the company any commission or interest lawfully payable thereout under the provisions of Sections 40(6) of the Act, |
| | (III) To acquire property : Subject to Sections 179 and 188 of the Act to purchase or otherwise acquire for the Company any property, rights, privileges which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they think fit, and in any such purchases or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory, |
| | (IV) To pay for property, etc. : At their discretion and subject to the provisions of the Act, to pay for any property, rights, or privileges acquired or services rendered in the Company either wholly or partially, in cash or in shares, bonds, debentures, mortgages, or other securities of the such amount credited as paid up thereon as may be agreed upon and any such bonds; debentures, mortgages 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. |
| | (V) To secure contracts: To secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit. |
| | (VI) To accept surrender of shares: To accept from any member, as far as may be permissible by law, a surrender of his shares or any part thereof, on such terms and conditions as shall be agreed. |
| | (VII) To appoint Trustees : To appoint any person to accept and to hold in trust for the Company any property belonging to the Company, or in which it is interested, or for any other purposes; and to execute and 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. |
| | (VIII) To bring and defend actions: To institute, conduct, defend, compound, or abandon any legal proceedings by or against the Company or its officers or otherwise payment or satisfaction of any debts due, and of any claims or demands by or against the Company, and to refer any differences to arbitration, and observe and perform any awards made thereon. |
| | (IX) To act in insolvency matters: To act on behalf of the Company in all matters relating to bankrupts and insolvents. |
| | (X) To give receipts: To make and give receipts, releases and other discharges for moneys payable to the Company, and for the claims and demands of the Company. |
| | (XI) To invest moneys: Subject to the provisions of Sections 179, 180 (1) (c), 185, and 186 of the Act, to invest, deposit and deal with any moneys of the Company not immediately required for the purpose thereof, upon such security (not being shares of this Company), or without security and in such manner as they may think fit, and from time to time to vary or realise such investments. Save as provided in Section 49 of the Act, all investments shall be made and held in the Company's own name. |
| | (XII) To provide for Personal Liabilities : To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety; for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit; and any such mortgage may contain a power of sale, and such other powers, provisions, covenants and agreements as shall be agreed upon. |
| | (XIII) To authorise acceptances: To determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give necessary authority for such purpose. |
| | (XIV) To distribute bonus: To distribute by way of bonus amongst the staff of the Company a share in the profits of the Company, and to give to any officer or other person employed by the Company a commission on the profits of any particular business or transaction and to charge such bonus or commission as part of the working expenses of the Company. |
| | (XV) To provide for welfare of employees : 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 dependants or connections of such persons by building or contributing to the building of houses, dwellings or chawls or by grants of moneys, pensions, gratuities, allowances, bonus or other payments; or by creating and from time to time subscribing or contributing to provident and other associations, institutions or funds or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit, and subject to the provisions of Section 180 of the Act. To subscribe or contribute or otherwise to assist or to guarantee money to any charitable, benevolent, religious, scientific, national or other institutions or objects which shall |

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| | have any moral or other claim to support or aid by the Company either by reason of locality of operation, or of public and general utility or otherwise. |
| | (XVI) To create reserve fund : Before recommending any dividend to set aside, out of the profits of the Company such sums as they may think proper for depreciation or to a Depreciation Fund or to an Insurance Fund or as a Reserve Fund or Sinking Fund or any special fund to meet contingencies or to repay debentures or debenture-stock, or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purposes referred to in the preceding clause), as the Board may in their absolute discretion think conducive to the interest of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as required to be invested, upon such investments (other than shares of the Company) as they think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purposes as the Board in their absolute discretion, think, conducive to the interest of the company notwithstanding that the matters to which the Board apply or upon which they expend the same, or any part thereof, may be matters to or upon which the capital moneys of the company might rightly be applied or expended, and to divide the reserve fund into such special funds as the Board may think fit with full power to transfer the whole or any portion of the Reserve Fund into such special funds as the Board may think fit, with full power to transfer the whole or any portion of a Reserve Fund or division of a Reserve Fund and with full power to employ the assets constituting all or any of the above funds, including the Depreciation Fund, in the business of the company or in the purchase or repayment of debentures or debenture- stock, and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper. |
| | (XVII) To appoint managers etc. : To appoint, and at their discretion remove or suspend such general managers, secretaries, assistants, supervisors, 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 fix their salaries, or emoluments or remuneration, and to require security in such instances and to such amount as 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. |
| | (XVIII) To comply with local Laws: To comply with requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with. |
| | (XIX) To delegate powers : Subject to Section 179 of the Act, from time to time and at any time to delegate to any persons so appointed any of the powers, authorities and discretions for the time being vested in the Board, other than their power to make call or to make loans or borrow moneys, and any such appointment or delegation may be made on such terms, and subject to such conditions as the Board may think fit, and the Board may at any time remove any persons so appointed and may annul any such delegation. |
| | (XX) To authorise by power of attorney : At any time and from time to time by Power of Attorney (if so resolved by the Board 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 the 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 any such appointment may (if the Board thinks fit) be made in favour of the shareholders, directors, nominees or managers 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 Power of Attorney may contain such powers for the protection or convenience of persons dealing with such Attorneys as the Board may think fit, and may contain Powers enabling any such delegates or Attorneys as aforesaid to sub-delegate all or any of the Powers, authorities and discretions for the time- being vested in them. |
| | (XXI) To negotiate: Subject to Section 188 of the Act for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such 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. |
| | (XXII) To make and vary Regulations : From time to time make, vary or repeal bye- laws for the regulation of the business of the Company, its officers and servants. |
| | (XXIII) Amendments to Accounts: Subject to Section 130, the directors shall, if they consider it to be necessary and in the interest of the company, be entitled to amend the Audited Accounts of the company of any financial year which have been laid before the Company in General Meeting. The amendments to the Accounts effected by the directors in pursuance of this Article shall be placed before the members in General Meeting for their consideration and approval. |

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| | (XXIV) To formulate schemes, etc. : Subject to provisions of Law, the directors may formulate, create, institute or set up such schemes, trusts, plans or proposals as they may deem fit for the purpose of providing incentive to the officers, employees and workers of the company, including without limiting the generality of the foregoing, formulation of schemes for the subscription by the officers, employees and workers to shares in, or debentures of, the company. |
| | COMMITTEES AND DELEGATION BY THE BOARD |
| | a. The Company shall constitute such Committees as may be required under the Act, applicable provisions of Law and the SEBI Listing Regulations. Without prejudice to the powers conferred by the other Articles and so as not to in any way to limit or restrict those powers, the Board may, subject to the provisions of Section 179 of the Act, delegate any of its powers to the Managing Director(s), the executive director(s) or manager or the chief executive officer of the Company. The Managing Director(s), the executive director(s) or the manager or the chief executive officer(s) as aforesaid shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on them by the Board and all acts done by them in exercise of the powers so delegated and in conformity with such regulations shall have the like force and effect as if done by the Board. |
| | b. Subject to the applicable provisions of the Act, the requirements of Law and these Articles, the Board may delegate any of its powers to Committees of the Board consisting of such member or members of the Board as it thinks fit, and it may from time to time revoke and discharge any such committee of the Board either wholly or in part and either as to persons or purposes. Every Committee of the Board 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 of the Board in conformity with such regulations and in fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board. |
| | c. The meetings and proceedings of any such Committee of the Board consisting of 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 regulation made by the Directors under the last preceding Article. |
| | ACTS OF BOARD OR COMMITTEE VALID NOTWITHSTANDING INFORMAL APPOINTMENT |
| | a. All acts undertaken at any meeting of the Board or of a Committee of the Board, or by any person acting as a Director shall, notwithstanding that it may 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. Provided that nothing in this Article shall be deemed to give validity to the acts undertaken by a Director after his appointment has been shown to the Company to be invalid or to have been terminated. |
| | b. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held. |
| | PASSING OF RESOLUTION BY CIRCULATION |
| | a. No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, unless the resolution has been circulated in draft form, together with the necessary papers, if any, to all the Directors, or members of the Committee, as the case may be, at their addresses registered with the Company in India by hand delivery or by post or by courier, or through such electronic means as may be provided under the Companies (Meetings of Board and its Powers) Rules, 2014 and has been approved by majority of Directors or members, who are entitled to vote on the resolution. However, in case one-third of the total number of Directors for the time being require that any resolution under circulation must be decided at a meeting, the Chairman shall put the resolution to be decided at a meeting of the Board. |
| | b. A resolution mentioned above shall be noted at a subsequent meeting of the Board or the Committee thereof, as the case may be, and made part of the minutes of such meeting. |
| | MINUTES OF THE PROCEEDINGS OF THE MEETING OF THE BOARD |
| | a. The Company shall prepare, circulate and maintain minutes of each Board Meeting in accordance with the Act and Rules and such minutes shall contain a fair and correct summary of the proceedings conducted at the Board Meeting. |
| | b. The minutes kept and recorded under this Article shall also comply with the provisions of Secretarial Standard 1 issued by the Institute of Company Secretaries of India constituted under the Company Secretaries Act, 1980 and approved as such by the Central Government and applicable provisions of the Act and Law. |

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| | Proceedings of the Board |
| | 67. The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit. |
| | A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board. |
| | 68. i. Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes. |
| | ii. In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote. |
| | 69.i. 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. |
| | ii. . Quorum for Board Meetings |
| | (I) Subject to the provisions of Section 174 of the Act, the quorum for each Board Meeting shall be one-third of its total strength or two directors, whichever is higher, and the presence of Directors by video conferencing or by other audio-visual means shall also be counted for the purposes of calculating quorum. Provided that where at any time the number of interested Directors exceeds or is equal to two- thirds of the total strength, the number of the remaining Directors, that is to say, the number of the Directors who are not interested present at the meeting being not less than two, shall be the quorum during such meeting. |
| | (II) If a meeting of the Board could not be held for want of quorum, then the meeting shall automatically stand adjourned to such other time as may be fixed by the Chairman. |
| | iii. Casting Vote |
| | Questions arising at any meeting of the Board, other than as specified in these Articles and the Act, if any, shall be decided by a majority vote. In the case of an equality of votes, the Chairman shall have a second or casting vote. 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. |
| | 70. i. The Board may elect a chairperson of its meetings and determine the period for which he is to hold office. |
| | ii. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting. |
| | 71. i. The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit. |
| | ii. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board. |
| | 72. i. A committee may elect a Chairperson of its meetings. |
| | ii. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting. |
| | 73. i. A committee may meet and adjourn as it thinks fit. |
| | ii. Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote. |
| | 74. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of anyone or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director |
| | 75. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held. |
| | 76. Not Applicable |
| | Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer |
| | Subject to the provisions of the Act, |
| | A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board; |

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| | A director may be appointed as chief executive officer, manager, company secretary or chief financial officer |
| | 78. provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer. |
| | The Seal |
| | 79. i. The Board shall provide for the safe custody of the seal. |
| | ii. The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence. |
| | Dividends and Reserve |
| | 80. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board. |
| | 82. 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. |
| | 83. i. Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares. |
| | ii. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share. |
| | iii. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly. |
| | 84. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company. |
| | 85. i. Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct. |
| | ii. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. |
| | 86. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share. |
| | 87. 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. |
| | 88. No dividend shall bear interest against the company. |
| | 88A Any General Meeting declaring a Dividend may on the recommendation of the Board, make a call on the Shareholders of such amount as the Meeting fixes, but so that the call on each Shareholder shall not exceed the Dividend payable to him, and so that the call will be made payable at the same time as the Dividend; and the Dividend may, if so arranged as between the Company and the Shareholders, be set -off against such calls. |
| | Notwithstanding anything contained in this Article, the dividend policy of the Company shall be governed by the applicable provisions of the Act and Law. |
| | 88B UNPAID OR UNCLAIMED DIVIDEND |
| | a. Subject to the provisions of the Act, if the Company has declared a Dividend but which has not been paid or the Dividend warrant in respect thereof has not been posted or sent within 30 (thirty) days from the date of declaration, transfer the total amount of dividend, which remained unpaid or unclaimed within 7 (seven) days from the date of expiry of the said period of 30 (thirty) days to a special account to be opened by the Company in that behalf in any scheduled bank. |
| | b. Subject to provisions of the Act, any money so transferred to the unpaid Dividend account of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company to the Fund established under sub-section (1) of Section 125 of the Act, viz. "Investors Education and Protection Fund". |

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| | c. Subject to the provisions of the Act, no unpaid or unclaimed Dividend shall be forfeited by the Board before the claim becomes barred by Law. |
| | Accounts |
| | 89 i. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors. |
| | ii. No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting. |
| | 89 A b. In accordance with the provisions of the Act, along with the financial statements laid before the Shareholders, there shall be laid a 'Board's report' as to the state of the Company's affairs and as to the amounts, if any, which it proposes to carry to any reserves in such balance sheet and the amount, if any, which it recommends should be paid by way of dividend; and material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the company to which the balance sheet relates and the date of the report. The Board shall also give the fullest information and explanations in its report aforesaid or in an addendum to that report, on every reservation, qualification or adverse remark contained in the auditor's report and by the company secretary in practice in his secretarial audit report. |
| | c. The Company shall comply with the requirements of Section 136 of the Act. |
| | Winding up |
| | 90. Subject to the provisions of Chapter XX of the Act and rules made thereunder |
| | 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. |
| | 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. |
| | The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability. |
| | Indemnity |
| | 91. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which |
| | he is acquitted or in which relief is granted to him by the court or the Tribunal. |
| | Others |
| | 92.BORROWING POWERS |
| | a. Subject to the provisions of Sections 73, 179 and 180, and other applicable provisions of the Act and these Articles, the Board may, from time to time, at its discretion by resolution passed at the meeting of a Board: |
| | (I) accept or renew deposits from Shareholders; |
| | (II) borrow money by way of issuance of Debentures ; |
| | (III) borrow money otherwise than on Debentures; |
| | (IV) accept deposits from Shareholders either in advance of calls or otherwise; and |
| | (V) generally, raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company. |
| | Provided, however, that where the money to be borrowed together with the money already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the Paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose), the Board shall not borrow such money without the consent of the Company by way of a Special Resolution in a General Meeting. |
| | b. Subject to the provisions of these Articles, the payment or repayment of money borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the resolution of the Board (not by circular resolution) shall prescribe including by the issue of bonds, perpetual or redeemable Debentures or debenture-stock, or any mortgage, charge, hypothecation, pledge, lien or other security on the undertaking of the whole or any part of the property of the Company (including its uncalled Capital), both present and future. and Debentures and other Securities may be assignable free from any equities between the Company and the Person to whom the same may be issued. |
| | c. Subject to the applicable provisions of the Act and these Articles, any bonds, Debentures, debenture-stock or other Securities may if permissible in Law be issued at a discount, premium or otherwise by the Company |

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| | and shall with the consent of the Board be issued upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company, and on the condition that they or any part of them may be convertible into Equity Shares of any denomination, and with any privileges and conditions as to the redemption, surrender, allotment of shares, appointment of Directors or otherwise. Provided that Debentures with rights to allotment of or conversion into Equity Shares shall not be issued except with, the sanction of the Company in General Meeting accorded by a Special Resolution. |
| | d. The Board shall cause a proper Register to be kept in accordance with the provisions of Section 85 of the Act of all mortgages and charges specifically affecting the property of the Company; and shall cause the requirements of the relevant provisions of the Act in that behalf to be duly complied with within the time prescribed under the Act or such extensions thereof as may be permitted under the Act, as the case may be, so far as they are required to be complied with by the Board. Company shall have the power to keep in any state or country outside India a branch register of debenture holder's resident in that state or country. |
| | e. Any capital required by the Company for its working capital and other capital funding requirements may be obtained in such form as decided by the Board from time to time. |
| | f. The Company shall also comply with the provisions of the Companies (Registration of Charges) Rules, 2014 in relation to the creation and registration of aforesaid charges by the Company. |
| | 93 SHARE WARRANTS |
| | a. Share warrants may be issued as per the provisions of applicable Law. |
| | b. Power to issue share warrants |
| | The Company may issue share warrants subject to, and in accordance with the provisions of the Act, and accordingly the Board may in its discretion, with respect to any share which is fully paid-up on 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 person 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. |
| | c. Deposit of share warrant |
| | (I) 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 calling 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 deposited warrant. |
| | (II) Not more than one person shall be recognised as depositor of the share warrant. |
| | (III) The Company shall, on two days' written notice, return the deposited share warrant to the depositor. |
| | d. Privileges and disabilities of the holders of share warrant |
| | (I) Subject as herein otherwise expressly provided, no person shall, as bearer of a share warrant 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 notices from the Company. |
| | (II) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he was named in the Register of Members as the holder of the share included in the warrant and shall be a Member of the Company. |
| | e. Issue of new Share Warrant or Coupon |
| | The Board may, from time to time, make rules as to the 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 destruct. |
| | 94. INSURANCE |
| | The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably |
| | 95. SECRECY CLAUSE |
| | No Member shall be entitled to inspect the Company's works without the permission of the managing Director/Directors or to require discovery of any information respectively and detail of the Company's trading or any matter which is or may be in the nature of a trade secret, history of trade or secret process which may be related to the conduct of the business of the Company and which in the opinion of the managing Director/Directors will be inexpedient in the interest of the Members of the Company to communicate to the public/Other. |
| | 96. DOCUMENTS AND NOTICES |
| | a. A document or notice may be given or served by the Company to or on any Shareholder whether having his registered address within or outside India either personally or by sending it by post or by registered post or by courier, to him to his registered address. |

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| | b. Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or notice, provided that where a Shareholder has intimated to the Company in advance that documents or notices should be sent to him under a certificate of posting or by registered post with or without acknowledgement due or by cable or telegram and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall be deemed to be effected unless it is sent in the manner intimated by the Shareholder. Such service shall be deemed to have effected in the case of a notice of a meeting, at the expiration of forty eight hours after the letter containing the document or notice is posted or after a telegram has been dispatched and in any case, at the time at which the letter would be delivered in the ordinary course of post or the cable or telegram would be transmitted in the ordinary course. |
| | c. A document or notice may be given or served by the Company to or on the joint - holders of a Share by giving or serving the document or notice to or on the joint- holder named first in the Register of Members in respect of the Share. |
| | d. Every person, who by operation of Law, transfer or other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such Share, which previous to his name and address being entered on the register of Shareholders, shall have been duly served on or given to the Person from whom he derives his title to such Share. |
| | e. Any document or notice to be given or served by the Company may be signed by a director or the Secretary or some Person duly authorised by the Board for such purpose and the signature thereto may be written, printed, Photostat or lithographed. |
| | f. All documents or notices to be given or served by Shareholders on or to the Company or to any officer thereof shall be served or given by sending the same to the Company or officer at the Office by post under a certificate of posting or by registered post or by leaving it at the Office. |
| | g. Where a document is sent by electronic mail, service thereof shall be deemed to be affected properly, where a member has registered his electronic mail address with the Company and has intimated the Company that documents should be sent to his registered email address, without acknowledgement due. Provided that the Company, shall provide each member an opportunity to register his email address and change therein from time to time with the Company or the concerned depository. The Company shall fulfil all conditions required by Law, in this regard. |
| | 97. SERVICE ON MEMBERS HAVING NO REGISTERED ADDRESS |
| | If a Shareholder does not have registered address in India and has not supplied to the Company any address within India, for the giving of the notices to him, a document advertised in a newspaper circulating in the neighbourhood of Office of the Company shall be deemed to be duly served to him on the day on which the advertisement appears. |
| | 98. NOTICE BY ADVERTISEMENT |
| | Subject to the applicable provisions of the Act, any document required to be served or sent by the Company on or to the Shareholders, or any of them and not expressly provided for by these Articles, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the District in which the Office is situated. |
| | 99. INDEMNITY |
| | Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal. |
| | 100. DIRECTOR'S ETC. NOT LIABLE FOR CERTAIN ACTS |
| | Subject to the provision of the Act, no Director, Manager or Officer of the Company shall be liable for the acts, defaults, receipts and neglects of any other Director, Manager or Officer or for joining in any receipts or other acts for the sake of conformity or for any loss or expenses happening to the company through the insufficiency or deficiency of title to any property acquired by order of the directors or for any loss or expenses happening to the Company through the insufficiency or deficiency of any security in or upon which any of the monies of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person with whom any monies, securities or effects shall be deposited or for any loss occasioned by an error of judgement or oversight on his part, or for any other loss, damage or misfortune whatsoever which shall happen in the execution thereof, unless the same shall happen through the negligence, default, misfeasance, breach of duty or breach of trust of the relevant Director, Manager or Officer. |
| | 101. SIGNING OF CHEQUES |
| | Subject to applicable Law and Section 64 of the Act, all cheques, promissory notes, drafts, bills of exchange, and other negotiable instruments, and all receipts for moneys paid by the company, shall be signed, drawn, accepted or otherwise executed as the case may be, in such manner as the Directors shall from time to time by resolution determine. |

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| | 102. INSPECTION BY SHAREHOLDERS |
| | The register of charges, register of investments, Register of Members, books of accounts and the minutes of the meeting of the shareholders shall be kept at the office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than two hours in each day as the board determines for inspection of any shareholder without charge. In the event such shareholder conducting inspection of the abovementioned documents requires extracts of the same, the Company may charge a fee which shall not exceed rupees ten per page or such other limit as may be prescribed under the Act or other applicable provisions of Law. |
| | 103. AMENDMENT TO MEMORANDUM AND ARTICLES OF ASSOCIATION |
| | The Company may amend its Memorandum of Association and Articles of Association subject to Sections 13, 14 and 15 of the Act and such other provisions of Law, as may be applicable from time-to-time. |
| | 104 DUTIES OF THE OFFICER TO OBSERVE SECRECY |
| | Every Director, Managing Directors, manager, Secretary, Auditor, trustee, members of the committee, officer, servant, agent, accountant or other persons employed in the business of the Company shall, if so required by the Directors before entering upon his duties, or any time during his term of office, sign a declaration pledging himself to observe secrecy relating to all transactions of the Company with its customers and the state of accounts with individuals and all manufacturing, technical and business information of the company and in matters relating thereto and shall by such declaration pledge himself not to reveal any of such matters which may come to his knowledge in the discharge of his official duties except which are required so to do by the Directors or the Auditors, or by resolution of the Company in the general meeting or by a court of law a except so far as may be necessary in order to comply with any of the provision of these Articles or Law. |
| | 105. AUTHORIZATIONS |
| | a. Wherever in the Act it has been provided that the Company or the Board shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company or the Board is so authorized by its Articles, then and in that case these Articles hereby authorize and empower the Company and/ or the Board (as the case may be) to have all such rights, privileges, authorities and to carry out all such transactions as have been permitted by the Act without there being any specific regulation to that effect in these Articles save and except to the extent that any particular right, privilege, authority or transaction has been expressly negated or prohibited by any other Article herein). |
| | b. If pursuant to the approval of these Articles, if the Act requires any matter previously requiring a special resolution is, pursuant to such amendment, required to be approved by an ordinary resolution, then in such a case these Articles hereby authorize and empower the Company and its Shareholders to approve such matter by an ordinary resolution without having to give effect to the specific provision in these Articles requiring a special resolution to be passed for such matter. |
| | 106 OTHER |
| | i. Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that casethis Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Articles in that behalf herein provided. |
| | ii. At any point of time from the date of adoption of these Articles, if the Articles are or become contrary to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure requirement)Regulations, 2015, as amended (the Listing Regulations), the provisions of the Listing Regulations shall prevail over the Articles to such extent and the Company shall discharge all of its obligations as prescribed under the Listing Regulations, from time to time. |
| | iii. Subject to the provisions of Section 2(88), 54 and other applicable provisions of the Act and the rules made thereunder the Company may issue sweat equity shares if such issue is authorized by a special resolution passed by the Company in the general meeting. The Company may also issue shares to employees including its working Directors, under ESOP or any other scheme, if authorized by a special resolution of the Company in general meeting subject to the provisions of the Act. |

SECTION X- OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Prospectus to be delivered to the RoC for filing and the documents for inspection referred to hereunder, may be inspected at the Registered office: Shastri Bhavan, II Floor, 26, Haddows Road, Chennai - 600 006 from the date of filing this Prospectus with RoC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.

MATERIAL CONTRACTS

1. Issue Agreement/ Memorandum of Understanding dated September 30, 2023 between our company and the Book Running Lead Manager and its addendum dated December 13, 2023.
2. Agreement dated September 23, 2023, between our company and the Registrar to the Issue and its addendum dated December 13, 2023.
3. Public Issue Agreement dated December 14, 2023 among our Company, the Book Running Lead Manager, The Banker to the Issue/Public Issue Bank/Sponsor Bank, and the Registrar to the Issue.
4. Underwriting Agreement dated December 13, 2023 between our company and the Underwriters.
5. Market making Agreement dated September 23, 2023 between our company, the Book Running Lead Manager and the Market Maker and its addendum dated December 13, 2023.
6. Agreement among NSDL, our company and the registrar to the issue dated July 10, 2023.
7. Agreement among CDSL, our company and the registrar to the issue dated July 10, 2023.

MATERIAL DOCUMENTS FOR THE ISSUE

1. Certified true copy of Certificate of Incorporation, the Memorandum of Association and Articles of Association of our Company, as amended.
2. Resolutions of the Board of Directors dated September 04, 2023 in relation to the Issue and other related matters.
3. Shareholders' resolution dated September 29, 2023 in relation to the Issue and other related matters.
4. Consents of Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, the Book Running Lead Manager, Registrar to the Issue, Peer review Auditor, Legal Advisor and Market Maker to act in their respective capacities.
5. Peer Review Auditors Report dated October 05, 2023 on Restated Financial Statements of our Company for the period ended July 31, 2023 and the years ended March 31, 2023, 2022 and 2021.
6. The Report dated October 05, 2023, from the Peer Reviewed Auditors of our Company, confirming the Statement of Possible Tax Benefits available to our Company and its Shareholders as disclosed in this Prospectus.
7. The Report dated September 29, 2023 by Legal Advisor to the Company confirming status of Outstanding Litigation and Material Development.
8. The Report dated December 15, 2023 by Legal Advisor to the Company confirming status of Outstanding Litigation and Material Development.
9. Copy of approval from NSE Emerge vide letter dated December 12, 2023 to use the name of NSE in this offer document for listing of Equity Shares on Emerge Platform of NSE.
10. Due Diligence Certificate submitted to SEBI dated December 16, 2023 from Book Running Lead Manager to

the Issue.

11. Due Diligence Certificate submitted to SEBI dated December 27, 2023 from Book Running Lead Manager to the Issue.
12. Key Performance Indicator Certificate provided by P P N and Company, Chartered Accountant dated October 05, 2023.

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

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SECTION XI - DECLARATION

We, hereby declare that, all the relevant provisions of Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities Exchange Board of India Act, 1992, as the case may be, have been complied with no statement made in the Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations/guidelines issued, as the case may be. We further certify that all the statements made in this Prospectus are true and correct.

| Signed by the Directors of our Company | | | | | |
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| S.No. | Name | Category | Designation | DIN/PAN | Signature |
| 1. | Vee Rajmohan | Executive | Managing Director and Chairman | 00844400 | Sd/- |
| 2. | K V Pradeep Kumar | Executive | Whole-time director | 10218276 | Sd/- |
| 3. | Devaraja Iyer Krishna Iyer | Non-Executive | Non- Independent Director | 09290465 | Sd/- |
| 4. | Perumal Ravikumar | Non-Executive | Independent Director | 09683689 | Sd/- |
| 5. | Saimathy Soupramanien | Non-Executive | Independent Director | 07657046 | Sd/- |
| Signed by the “Chief Financial Officer” and “Company Secretary & Compliance Officer” of our Company | | | | | |
| 6. | Priyanka Bansal | Full-time | Company Secretary and Compliance Officer | BWIPB9839H | Sd/- |
| 7. | Thulasiraman Boologa Nathan | Full-time | Chief Financial Officer | ADFPN2937F | Sd/- |

Place: Chennai

Date: December 27, 2023