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SAMY PROJECT SERVICES LIMITED

Our Company was incorporated on November 08, 2001 as “Samay Project Services Private Limited”, a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated November 8, 2001 issued by the Assistant Registrar of Companies, Tamil Nadu. Further, our Company was converted into a public limited company pursuant to a resolution passed by the Board of Directors in their meeting held on February 10, 2024 and by our Shareholders at an extra-ordinary general meeting held on February 29, 2024 and consequently the name of our Company was changed to ‘Samay Project Services Limited’ and a fresh certificate of incorporation dated August 07, 2024 was issued by the Registrar of Companies, Central Processing Centre. The corporate identification number of our Company is U74210TN2001PLC048005. For further details on Incorporation and Registered Office of our Company, see “History and Certain Corporate Matters” beginning on page 150 of this Draft Red Herring Prospectus.

Registered Office: Plot No. 1218, 17th Street, West End Colony, Mogappair, Thiruvallur, Chennai - 600 050, Tamil Nadu, India;

Tel: +91 9344139102 **E-mail:** investor@samayprojects.in; **Website:** www.samayprojects.com

Contact Person: Ms. Ramaa Krishnakumar, Company Secretary and Compliance Officer;

OUR PROMOTERS: MR. ANAND R AND MS. SANTHI KARTHIKEYAN

ADDENDUM TO THE DRAFT RED HERRING PROSPECTUS DATED FEBRUARY 17, 2025 NOTICE TO THE INVESTORS (“THE ADDENDUM”)

INITIAL PUBLIC OFFER OF UPTO 43,20,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH (THE “EQUITY SHARES”) OF SAMAY PROJECT SERVICES LIMITED (“OUR COMPANY” OR “SAMY PROJECT ” OR “THE ISSUER”) FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE (THE “ISSUE PRICE”) AGGREGATING TO ₹ [●] LAKHS (“THE ISSUE”), OF WHICH UPTO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION i.e., NET ISSUE OF UPTO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS IS HEREIN AFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●] % AND [●] % RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

Potential investor may note the following:

1. The Chapter titled “**Definitions And Abbreviations**” beginning on page 1 of the Draft Red Herring Prospectus has been updated with the modifications.
2. The Chapter titled “**Risk Factors**” beginning on page 27 of the Draft Red Herring Prospectus has been updated with shifting and modification of certain Risk Factors.
3. The Chapter titled “**Objects of the issue**” beginning on page 85 of the Draft Red Herring Prospectus has been updated with the modifications.
4. The Chapter titled “**Our Business**” beginning on page 120 of the Draft Red Herring Prospectus has been updated with the modifications.
5. The Chapter titled “**Our Management**” beginning on page 154 of the Draft Red Herring Prospectus has been updated with the modifications.
6. The Chapter titled “**Financial Indebtedness**” beginning on page 209 of the Draft Red Herring Prospectus has been updated with the modifications.
7. The Chapter titled “**Management’s Discussion And Analysis Of Financial Condition And Results Of Operations**” beginning on page 210 of the Draft Red Herring Prospectus has been updated with the modifications.
8. The Chapter titled “**Outstanding Litigations And Material Developments**” beginning on page 220 of the Draft Red Herring Prospectus has been updated with the modifications.
9. The Chapter titled “**Government and Other Statutory Approvals**” beginning on page 224 of the Draft Red Herring Prospectus has been updated with the modifications.

The above is to be read in conjunction with the Draft Red Herring Prospectus and accordingly their references in the Draft Red Herring Prospectus stand amended pursuant to this Addendum. Please note that the changes pursuant to this Addendum will be appropriately included in the Red Herring Prospectus, as and when filed with the RoC, the SEBI and the Stock Exchange. All capitalised terms used in this Addendum shall, unless the context otherwise requires, have the meaning ascribed to them in the Draft Red Herring Prospectus.

On behalf of Samay Project Services Limited	
Place: Chennai	Sd/- Mr. Anand R
Date: February 17, 2025	Chairman & Managing Director DIN: 01039615

BOOK RUNNING LEAD MANAGER TO THE ISSUE

REGISTRAR TO THE ISSUE



Smart Horizon Capital Advisors Private Limited
(Formerly Known as Shreni Capital Advisors Private Limited)
B/908, Western Edge II, Kanakia Space, Behind Metro Mall, off Western Express Highway, Magathane, Borivali East, Mumbai – 400066, Maharashtra, India.
Telephone: 022 - 2089 7022
E-mail: director@shcapl.com
Investor complaints Email id: - investor@shcapl.com
Contact Person: Mr. Parth Shah
Website: www.shcapl.com
SEBI Registration Number: INM000013183

BIGSHARE SERVICES PRIVATE LIMITED
Office No. S6-2, 6th Floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road, Andheri (East),
Mumbai – 400 093, Maharashtra, India
Tel: 022 - 6263 8200
E-mail: ipo@bigshareonline.com
Investor grievance e-mail: investor@bigshareonline.com
Website: www.bigshareonline.com
Contact Person: Mr. Asif Sayyed
SEBI Registration No.: INR000001385

ISSUE PROGRAMME

ANCHOR INVESTOR BID/ ISSUE PERIOD: [●] *	BID/ISSUE OPENS ON: [●] *	BID/ISSUE CLOSSES ON: [●] **
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*Our Company may in consultation with the BRLM may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.

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

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SECTION – I: GENERAL
DEFINITIONS AND ABBREVIATIONS

ABBREVIATIONS

Term	Description
AS / Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
A/c	Account
ACS	Associate Company Secretary
ACW	<u>Auxiliary Cooling Water</u>
AGM	Annual General Meeting
ASBA	Applications Supported by Blocked Amount
Amt	Amount
AIF	Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
AY	Assessment Year
AOA	Articles of Association
Approx	Approximately
B.A	Bachelor of Arts
BBA	Bachelor of Business Administration
B. Com	Bachelor of Commerce
B. E	Bachelor of Engineering
B. Sc	Bachelor of Science
B. Tech	Bachelor of Technology
Bn	Billion
BG/LC	Bank Guarantee / Letter of Credit
BIFR	Board for Industrial and Financial Reconstruction
BRLM	Book Running Lead Manager
BSE	BSE Limited
BSE SENSEX	Sensex in an index; market indicator of the position of stock that is listed in the BSE
Banking Regulation Act	The Banking Regulation Act, 1949
BOP	<u>Balance Of Plant</u>
BOQ	<u>Bill of Quantities</u>
CDSL	Central Depository Services (India) Limited
CAD	<u>Computer Aided Design</u>
CAGR	Compounded Annual Growth Rate
CAN	Confirmation of Allocation Note
Category I Alternate Investment Fund / Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
Category I Foreign Portfolio Investor(s) / Category I FPIs	FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations
Category II Alternate Investment Fund / Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
Category II Foreign Portfolio Investor(s) / Category II FPIs	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
Category III Alternate Investment Fund / Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
CA	Chartered Accountant
CB	Controlling Branch
CDSL	Central Depository Services (India) Limited
CC	Cash Credit
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax

Term	Description
CS	Company Secretary
CSR	Corporate social responsibility.
<u>CERC</u>	<u>Central Electricity Regulatory Commission</u>
CFA	Chartered Financial Analyst
CS & CO	Company Secretary & Compliance Officer
CFO	Chief Financial Officer
CENVAT	Central Value Added Tax
CIBIL	Credit Information Bureau (India) Limited
CST	Central Sales Tax
COVID – 19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
CWA/ICWA/CMA	Cost and Works Accountant
CMD	Chairman and Managing Director
CMP	Current Market Price
Companies Act	Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 to the extent notified) and /or Provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification
<u>CPBG</u>	<u>Contract Performance Bank Guarantee</u>
<u>CPI</u>	<u>Consumer Price Index</u>
<u>CPP</u>	<u>Captive Power Plants</u>
Depository or Depositories	NSDL and CDSL.
<u>DGFT</u>	<u>Director General of Foreign Trade</u>
<u>DGT</u>	<u>Directorate General of Training</u>
<u>DLP</u>	<u>Defect Liability Period</u>
<u>DM</u>	<u>Demineralized Water</u>
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce, Government of India
DP	Depository Participant
<u>DP</u>	<u>Die Penetrant</u>
<u>Draft EAA</u>	<u>Draft Electricity (Amendment) Bill, 2020</u>
DP ID	Depository Participant's Identification Number
EBITDA	Earnings Before Interest, Taxes, Depreciation & Amortisation
<u>ECEA</u>	<u>Electricity Contract Enforcement Authority</u>
<u>ECW</u>	<u>Equipment Cooling Water</u>
ECS	Electronic Clearing System
<u>EMD</u>	<u>Earnest Money Deposits</u>
<u>ER 2005</u>	<u>Electricity Rules, 2005</u>
ESIC	Employee's State Insurance Corporation
<u>EPC</u>	<u>Engineering, Procurement and Construction</u>
EPS	Earnings Per Share
EGM /EOGM	Extraordinary General Meeting
ESOP	Employee Stock Option Plan
EXIM/ EXIM Policy	Export – Import Policy
FCNR Account	Foreign Currency Non-Resident Account
<u>FFS</u>	<u>Fire Fighting System</u>
FIPB	Foreign Investment Promotion Board
<u>FGD</u>	<u>Flue Gas Desulphurization</u>
FY / Fiscal/Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
FEMA	Foreign Exchange Management Act, 1999 as amended from time to time, and the regulations framed there under.
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
FCNR Account	Foreign Currency Non-Resident Account
FBT	Fringe Benefit Tax
FDI	Foreign Direct Investment
FIs	Financial Institutions

Term	Description
FII	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
FPI	Foreign Portfolio Investors as defined under the SEBI FPI Regulations.
FTA	Foreign Trade Agreement.
FVCI	Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
FV	Face Value
<u>GA Drawings</u>	<u>General Arrangement drawings</u>
GOI/Government	Government of India
GDP	Gross Domestic Product
GAAP	Generally Accepted Accounting Principles in India
GST	Goods and Service Tax
GVA	Gross Value Added
<u>HFO</u>	<u>Heavy Fuel Oil</u>
HNI	High Net Worth Individual
<u>HP</u>	<u>High Pressure</u>
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
ICAI/ICMAI (Previously known as ICWAI)	The Institute of Cost Accountants of India
<u>IGCAR</u>	<u>Indira Gandhi Centre for Atomic Research</u>
IMF	International Monetary Fund
INR / ₹/ Rupees/Rs.	Indian Rupees, the legal currency of the Republic of India
IIP	Index of Industrial Production
IPO	Initial Public Offer
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
i.e	That is
<u>IT</u>	<u>Information Technology</u>
I.T. Act	Income Tax Act, 1961, as amended from time to time
IT Authorities	Income Tax Authorities
IT Rules	Income Tax Rules, 1962, as amended, except as stated otherwise
Indian GAAP	Generally Accepted Accounting Principles in India
<u>IRDA</u>	<u>Insurance Regulatory and Development Authority</u>
<u>IST</u>	<u>Indian Standard Time</u>
KMP	Key Managerial Personnel
<u>KPI</u>	<u>Key Performance Indicators</u>
<u>LP</u>	<u>Low Pressure</u>
<u>LPP</u>	<u>Low-Pressure Pipe</u>
Ltd.	Limited
MAT	Minimum Alternate Tax
MCA	Ministry of Corporate Affairs, Government of India
<u>MCLR</u>	<u>Marginal Cost of Funds Based Lending Rate</u>
<u>MCW</u>	<u>Main Cooling Water</u>
<u>MDCC</u>	<u>Material despatch clearance certificate</u>
MIDC	Maharashtra Industrial Development Corporation
MSEDCL	Maharashtra State Electricity Distribution Co. Ltd
MoF	Ministry of Finance, Government of India
M-o-M	Month-On-Month
MOU	Memorandum of Understanding
M. A	Master of Arts
M. B. A	Master of Business Administration
M. Com	Master of Commerce
Mn	Million
M. E	Master of Engineering
MRP	Maximum Retail Price
M. Tech	Masters of Technology

Term	Description
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MAPIN	Market Participants and Investors Database
MSMEs	Micro, Small and Medium Enterprises
MW	Megawatt
MoA	Memorandum of Association
NA	Not Applicable
Networth	The aggregate of paid-up Share Capital and Share Premium account and Reserves and Surplus (Excluding revaluation reserves) as reduced by aggregate of Miscellaneous Expenditure (to the extent not written off) and debit balance of Profit & Loss Account
NEFT	National Electronic Funds Transfer
NECS	National Electronic Clearing System
NAV	Net Asset Value
NB	Nominal Bore
NPV	Net Present Value
NRIs	Non-Resident Indians
NRE Account	Non-Resident External Account
NRO Account	Non-Resident Ordinary Account
NSE	National Stock Exchange of India Limited
NOC	No Objection Certificate
NSIC	National Small Industries Corporation
NSDL	National Securities Depository Limited
NTP	National Tariff Policy
NTPC	National Thermal Power Corporation Limited
OCB	Overseas Corporate Bodies
P.A.	Per Annum
PF	Provident Fund
PG	Post Graduate
PAC	Persons Acting in Concert
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
PHE	Public Health Engineering
PLI	Postal Life Insurance
PO	Purchase Order
POA	Power of Attorney
PSE	Public Sector Enterprises
PSU	Public Sector Undertaking(s)
Pvt.	Private
RBI	The Reserve Bank of India
ROE	Return on Equity
R&D	Research & Development
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
<u>SCADA</u>	<u>Supervisory Control and Data Acquisition</u>
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SCSB	Self-Certified Syndicate Banks
SEBI	Securities and Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended from time to time
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended from time to time

Term	Description
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.
SEBI LODR Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time
SEBI (PFUTP) Regulations/PFUTP Regulations	SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003
SEBI SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as repealed by the SEBI AIF Regulations, as amended
SERCs	State Electricity Regulatory Commissions
SHWW Act	<u>Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013</u>
SICA	Sick Industrial Companies (Special provisions) Act, 1985, as amended from time to time
SME	Small and Medium Enterprises
STT	Securities Transaction Tax
Sec.	Section
SPV	Special Purpose Vehicle
SPOS	<u>Special Pre-Open Session</u>
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
TAN	Tax Deduction Account Number
TDS	Tax Deducted at Source
TFT	<u>Trade For Trade</u>
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
US/United States	United States of America
UPI	Unified Payments Interface as a payment mechanism through National Payments Corporation of India with Application Supported by Block Amount for applications in public issues by retail individual investors through SCSBs
USD/ US\$/ \$	United States Dollar, the official currency of the Unites States of America
VCF / Venture Capital Fund	Foreign Venture Capital Funds as defined under the SEBI AIF Regulations
VAT	Value Added Tax
WCT	Working Capital to Turnover
w.e.f.	With effect from
WIP	Work in process
Wilful Defaulter	An entity or person categorized as a willful defaulter by any bank or financial institution or consortium thereof, in terms of regulation 2(1)(III) of the SEBI ICDR Regulations
WO	<u>Work Order</u>
WPI	<u>Wholesale Price Index</u>
YoY	Year over Year

SECTION III – RISK FACTORS

12. We do not have long-term Agreements/Contracts with suppliers for our raw materials which may adversely affect our Business, Results of Operations and Financial Condition.

We usually do not enter into long-term supply contracts with any of our raw material suppliers. If, for any reason, our suppliers of raw materials curtail or discontinue their delivery of such materials to us in the quantities we need or at prices that are competitive or expected by us, our ability to meet the requirements of our customers could be impaired and our Earnings and Business could suffer. Further, we may not be able to pass on any increase in the cost of executing the projects which require the raw materials to our customers, which may adversely affect our Results of Operations.

We usually do not enter into long-term supply contracts with any of our raw material suppliers and typically source raw materials from manufacturers or traders on project-to-project basis. **There were no past instances wherein raw materials were not supplied by the supplier,** however, the absence of long-term contracts at fixed prices exposes us to volatility in the prices of raw material that we require and we may be unable to pass these costs onto our customers, which may reduce our Profit Margins.

We face a risk that one or more of our existing suppliers may discontinue their supplies to us, and any inability on our part to procure raw materials from alternate suppliers in a timely fashion, or on commercially acceptable terms, may adversely affect our Business, Financial Condition and Results of Operations.

13. Our projects are exposed to various implementation and other risks, including risks of time and cost overruns, and uncertainties, which may adversely affect our business, financial condition, results of operations, and prospects.

The execution and implementation of our projects involves various implementation risks including construction delays, delay or disruption in supply of raw materials, unanticipated cost increases, force majeure events, cost overruns or delays in securing required licenses by our project clients, or making advance payments. We may be further subject to regulatory risks, financing risks and the risks that these projects may ultimately prove to be unprofitable.

Our Company is not exposed to any past instances for the projects which were exposed to implementation and other risks, including risks of time and cost overruns, and uncertainties, however, we may have to bear risks associated with any increase in actual costs for construction activities exceeding the agreed work. In the event, the incremental costs incurred by our Company are not considered by our project customers, we may initiate legal proceedings against our customers for recovery of additional amount incurred. Such legal proceedings are extensive and time-taking and it cannot be assured that the outcome of such proceedings will be in our favour or the incremental costs sought by us would be awarded to us, in full or in part, or at all. These legal proceedings could divert management's time and attention, consume our financial resources in defense or prosecution of such legal proceedings or cause delays in the construction, development or commencement of operations of our projects or strain our relation with our project customers and there can be no assurance that we will be successful in all, or any, such proceedings. If any of these risks materialize, they could adversely affect our profitability, which may in turn have an adverse effect on our overall results of operations.

14. Our Company is an Approved Vendor having empanelled by a Private Consultant. If our Company does not receive the recognition then it may harm our Brand Value or Reputation and may adversely affect our Business, Results of Operations, Financial Condition and Cash Flows.

Our Company is an Approved Vendor having empanelled with Private consultant Avant Garde. **In the EPC Industry, empanellment is relevant, since through empanelment, Company's brand image and goodwill improves and there are chances of getting repeat orders and obtain orders from public sector organization.** Our company has executed and has been executing EPC projects for such consultants in past and present. We have received recognition from the said Consultant for successfully executing the projects in the form of Completion Certificates which adds to our reputation. If in future our Company does not receive the said recognition and the said undertaking does not provide us an approval as an Approved Vendor, then, it may harm our Reputation and may adversely affect our Business, Results of Operations, Financial Condition and Cash Flows.

16. We are unable to trace few of our historical records, Also, in the past, there have been some instances of delays/ nonfiling/ non-compliance with certain statutory authorities, In the event we are found not to be in compliance with any applicable regulations in relation to the regulatory filings or corporate actions, we may be subject to regulatory actions or penalties for any such possible non-compliance/ non-filing/ delay and our business, financial condition and reputation may be adversely affected.

We have been unable to locate copies of certain of our corporate records and physical forms filed with the RoC from 2001 to 2006 which were physically filed by our Company with ROC. Following are the forms which are untraceable:

- i. Incorporation forms,
- ii. Form 23AC and Form 20B filed for FY 2001-02 and 2002-03.
- iii. Form 23 AC filed for FY 2003-04 and 2004-05.
- iv. Form – 2 Allotment form made during 2002.

While we believe that these documents were duly filed on a timely basis, we have not been able to obtain copies of these documents from the RoC or otherwise. The relevant documents are also not available at the office of the RoC as certified by Satya Pradeep Roy – Company Secretary in Practice, vide his search report dated September 23, 2024. We cannot assure you that the relevant corporate records will become available in the future or that regulatory proceedings or actions will not be initiated against us in the future and we will not be subject to any penalty imposed by the competent regulatory authority in this respect. Further we cannot assure you that we will not be subject to any legal proceedings or regulatory actions, including monetary penalties by statutory authorities on account of any inadvertent discrepancies in our secretarial filings and/or corporate records in the future, which may adversely affect our business, financial condition and reputation.

Further, the Company had inadvertently in the Shareholder's resolution dated December 14, 2023 mentioned the bonus ratio as 1:35 instead of 35:1. However the allotment of shares had taken place on the ratio of 35 equity shares for every 1 equity share held by the shareholders.

Further, in the past, there have been some instances of delays/ non-filing/ non-compliance with certain statutory authorities with certain provision of statutory regulations applicable to us such as:

Particulars	Expected Date of Filing	Actual Date of Filing	Number of Days Delayed
Annual Return 2004 (FY 2003-04)	28/11/2004	30/03/2006	487 Days
Annual Return 2005 (FY 2004-05)	29/11/2005	06/04/2006	128 Days
Form 20B (FY 2005-06)	28/11/2006	06/01/2007	39 Days
Form 23AC (FY 2005-06)	29/10/2006	06/01/2007	69 Days
Form 20B (FY 2006-07)	28/11/2007	08/02/2008	72 Days
Form 23AC (FY 2006-07)	29/10/2007	08/02/2008	102 Days
Form 20B (FY 2007-08)	26/11/2008	21/01/2009	56 Days
Form 23AC (FY 2007-08)	27/10/2008	19/01/2009	84 Days
Form 20B (FY 2008-09)	22/11/2009	23/12/2009	31 Days
Form 23AC (FY 2008-09)	23/10/2009	23/12/2009	61 Days
Form 23AC (FY 2010-11)	12/10/2011	31/10/2011	19 Days
Form 66 (FY 2010-11)	12/10/2011	31/10/2011	19 Days
Form 23AC (FY 2011-12)	26/10/2012	21/02/2013	118 Days
Form 66 (FY 2011-12)	26/10/2012	21/02/2013	118 Days
Form 20B (FY 2011-12)	25/11/2012	21/02/2013	88 Days
Form 23AC (FY 2012-13)	20/09/2013	23/10/2013	33 Days
Form 66 (FY 2012-13)	20/09/2013	23/10/2013	33 Days
Form 20B (FY 2012-13)	20/10/2013	24/10/2013	4 Days
Form 23AC (FY 2013-14)	18/10/2014	01/12/2014	44 Days
Form 20B (FY 2013-14)	17/11/2014	03/12/2014	16 Days
Form AOC-4 (FY 2014-15)	29/10/2015	13/03/2016	136 Days
Form MGT-7 (FY 2014-15)	28/11/2015	13/05/2016	167 Days
Form AOC-4 (FY 2015-16)	22/10/2016	02/12/2016	41 Days
Form MGT-7 (FY 2015-16)	21/11/2016	01/12/2016	10 Days
Form AOC-4 CFS (FY 2015-16)	22/10/2016	11/04/2017	171 Days
Form AOC-4 (FY 2016-17)	28/10/2017	13/04/2018	167 Days
Form AOC-4 CFS (FY 2016-17)	28/10/2017	13/04/2018	167 Days
Form MGT-7 (FY 2016-17)	27/11/2017	28/01/2018	62 Days
Form AOC-4 (FY 2017-18)	28/10/2018	04/12/2018	37 Days
Form AOC-4 CFS (FY 2017-18)	28/10/2018	04/12/2018	37 Days

Form MGT-7 (FY 2017-18)	27/12/2018	02/01/2019	6 Days
Form AOC-4 (FY 2018-19)	20/10/2019	08/11/2019	19 Days
Form AOC-4 CFS (FY 2018-19)	20/10/2019	15/12/2019	56 Days
Form AOC-4 CFS (FY 2021-22)	28/10/2022	03/11/2022	6 Days
Form AOC-4 (FY 2021-22)	28/10/2022	03/11/2022	6 Days
Form 32 (FY 2007-08)	14/11/2008	18/02/2009	96 Days
Form 23B (FY 2007-08)	27/10/2008	30/10/2008	3 Days
Form 23B (FY 2008-09)	23/10/2009	20/11/2009	28 Days
Form 23B (FY 2010-11)	12/10/2011	31/07/2013	658 Days
Form 23B (FY 2012-13)	20/09/2013	29/10/2013	39 Days
Form ADT-1 (FY 2014-15)	29/10/2015	20/06/2016	235 Days
Form-2 (FY 2011-12)	27/04/2012	20/02/2013	299 Days
PAS-3 (FY 2016-17)	31/12/2017	28/09/2018	271 Days
PAS-3 (FY 2017-18)	11/04/2018	30/09/2018	172 Days
DPT-3 (FY 2018-19)	30/06/2019	29/01/2020	272 Days
DPT-3 (FY 2019-20)	30/06/2020	06/01/2020	98 Days
Form-8 (10126275) (FY 2008-09)	27/09/2008	30/09/2008	3 Days
Form-8 (10126275) (FY 2010-11)	27/08/2010	20/09/2010	24 Days
CHG-1 (10126275) (FY 2015-16)	18/03/2016	05/06/2016	79 Days

Note:

- a) **Form 20B: Form for filing annual return by a Company having a share capital with the Registrar as per section 159 of Companies Act, 1956**
- b) **Form 23AC: Form for filing balance sheet and other documents with the Registrar as per section 220 of the Companies Act, 1956**
- c) **Form 66: Form for submission of compliance certificate with the Registrar under section 383A of the Companies Act, 1956**
- d) **Form AOC-4: Form for filing financial statements and other documents with the Registrar as per section 137 of Companies Act, 2013**
- e) **Form MGT-7: Annual Return under section 92 of Companies Act, 2013**
- f) **Form AOC-4 CFS: Form for filing consolidated financial statements and other documents with the Registrar under section 137 of Companies Act, 2013**
- g) **Form 32: Particulars of appointment of Managing directors, Directors, Manager and Secretary as per section 303(2), 264(2) or 266(1)(a) and 266(1)(b)(iii) of the Companies Act, 1956**
- h) **Form 23B: Information by auditor to Registrar under section 224(1A) of Companies Act, 1956**
- i) **Form ADT-1: Notice to the Registrar by company for appointment of auditor under section 139 of the Companies Act, 2013**
- j) **Form 2: Return of allotment under section 75(1) of Companies Act, 1956**
- k) **PAS-3: Return of allotment under section 39(4) and 42(9) of Companies Act, 2013**
- l) **DPT-3: Return of Deposits under Companies Act 2013**
- m) **Form 8: Particulars for creation or modification of Charge (other than those related to debentures) as per Companies Act, 1956**
- n) **CHG-1: Application for creation or modification of Charge (other than those related to debentures) as per Companies Act, 2013**

We cannot assure you that, in the future, we will not be subject to any liability on account of such non-compliances or that no action would be taken by the RoC or any other regulatory or statutory body in future in relation to this error.

17. We have in past entered into related party transactions and we may continue to do so in the future, which may affect our competitive edge.

Our Company in the past has entered into Related Party Transactions and may continue to do so in future also, which may affect our competitive edge. Our Company had entered into various transactions with our Promoter, Promoter Group and Directors. These transactions, inter-alia includes Sales, Purchases, Salary and Remuneration, etc. The Percentage of total related party transaction to revenue from operations is 7.17%, 7.40 %, 26.07 % and 19.75 % for the period ended September 30, 2024 and for the financial year ended on March 31, 2024, 2023 and 2022 respectively, **For further information on our related party transactions, see chapter titled “Restated Financial Statement – Annexure IX – Statement of Related Party & Transaction” on page 205 of the Draft Red Herring Prospectus** and Our Company entered into such transactions

at arm length price due to easy proximity and quick execution. Also, the transactions are in compliance with Companies Act, 2013 and other applicable provisions. While we believe that all our related party transactions have been conducted on an arm's length basis, we cannot assure you that we may not have achieved more favourable terms had such transactions been entered into with unrelated parties. 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.

21. We have certain contingent liabilities, which, if they materialize, may adversely affect our results of operations, financial condition and cash flows

The following table sets forth our contingent liabilities as derived from our Restated Financial Statements:

Claims against the Company (including unasserted claims) not acknowledged as debt:

(₹ in Lakhs)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Related to Direct Tax Matters	74.12	31.98	32.32	32.67
Related to Indirect Tax Matters	30.69	30.68	-	-

(₹ in Lakhs)

Capital Commitment	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Bank Guarantees*	610.30	489.55	732.76	354.76

***A Bank Guarantee (BG) is a financial instrument issued by a bank on behalf of a company (the applicant) to reassure the client or customer (the beneficiary) that the company will fulfill its contractual obligations. If the company fails to do so, the bank is obligated to step in and make payment up to the guaranteed amount, offering security to the beneficiary.**

As per the terms of many contracts, companies are required to provide a Bank Guarantee (BG) to their clients or customers to ensure the fulfillment of their obligations. In such cases, the company requests a bank to issue the guarantee, which serves as a financial assurance to the client. If the company fails to meet its contractual commitments, the bank is liable to compensate the client, up to the specified amount of the guarantee.

If any such contingent liability or commitment materializes, it could have an adverse effect on our results of operations, financial condition and cash flows.

SECTION V – PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

b. Assumptions for working capital projections made by the Company

(Rs in Lakhs)

Particulars	March 31, 2022	March 31, 2023	March 31, 2024
Trade Payable (A)	174.17	158.31	200.48
Purchases & Stock in trade (B)	898.88	1,136.57	2,364.16
Trade Payable Days	70	53	28

In fiscal 2023, trade payables decreased to Rs. 158.31 lakhs from Rs. 174.17 lakhs, but then rose to Rs. 200.48 lakhs in fiscal 2024. Despite this fluctuation, trade payable days have shown a downward trend, falling from 70 days in fiscal 2022 to 53 days in fiscal 2023 and further down to 28 days in fiscal 2024. This improvement is largely attributed to the company's strategic decision to source trading goods directly from manufacturers rather than registered dealers. While direct purchases require upfront payments, they are made at discounted rates, which ultimately enhances the company's profit margins.

Therefore, while trade payables are increasing in absolute terms, they are actually decreasing relative to the cost of purchases and stock in trade.

(Rs in Lakhs)

Particulars	March 31, 2022	March 31, 2023
Trade Receivables	405.53	877.45
Increase		471.92

Trade receivables saw a substantial increase of Rs. 158.31 lakhs, largely because the company completed several projects in February and March 2023, resulting in revenue of Rs. 762.63 lakhs. However, due to extended credit periods, a portion of this revenue could not be realized, leading to an overall increase of Rs. 471.92 lakhs in trade receivables for fiscal 2023. Thus, the higher sales achieved during February 2023 and March 2023 significantly contributed to the rise in trade receivables for the year.

d. Rationale for Working Capital Requirement:

Working capital turnover ratio

(Rs in Lakhs)

Particulars	March 31, 2023	March 31, 2024
<u>Revenue from operation</u>	<u>2,036.06</u>	<u>4,074.67</u>
<u>Trade Receivables</u>	<u>877.45</u>	<u>898.27</u>
<u>Trade receivable turnover ratio</u>	<u>2.32</u>	<u>4.53</u>
<u>Trade receivable days</u>	<u>115</u>	<u>80</u>

In fiscal 2024 the revenue has grown by 100.13% from Rs. 2,036.06 lakhs in fiscal 2023 to Rs. 4,074.67 lakhs in fiscal 2024 and the working capital requirement has increased by 31.46% from Rs. 981.19 lakhs in fiscal 2023 to Rs. 1,289.86 in fiscal 2024. The working capital requirement was at higher side in the fiscal year 2023 primarily due to the higher receivable days in fiscal 2023. The receivable days were at 115 days in fiscal 2023 and reduced to 80 days in fiscal 2024. The receivable days were at higher side in fiscal 2023 was due to trade receivables saw a substantial increase of Rs. 158.31 lakhs, largely because the company completed several projects in February and March 2023, resulting in revenue of Rs. 762.63 lakhs. However, due to extended credit periods, a portion of this revenue could not be realized, leading to an overall increase of Rs. 471.92 lakhs in trade receivables for fiscal 2023. Thus, the higher sales achieved during February 2023 and March 2023 significantly contributed to the rise in trade receivables for the year.

If we reduce the increase of Rs. 471.92 lakhs from the trade receivables for fiscal 2023 then the working capital requirement will get increased by almost 100% or above. Thus, the increase in working capital by just 31.46% against the increase in revenue by 100% is just because of the sudden increase in the trade receivable during the fiscal 2023, otherwise same would have also increased by the similar margin in fiscal 2024.

Rationale for working capital requirement in fiscal 2025 and fiscal 2026:

(Rs in Lakhs)

Particulars	Audited	Audited	Estimated	Projected
	March 31, 2023	March 31, 2024	March 31, 2025	March 31, 2026
Revenue from operation	2,036.06	4,074.67	5,011.84	6,515.40
Increase		100.13%	23.00%	30.00%
Working Capital Requirement	981.19	1,289.86	1,802.17	3,427.34
Increase		31.46%	23.41%	90.18%

The company is expecting the increase in Working Capital requirement of 23.00% against the growth of 23.00% in the revenue in the fiscal 2025. Further the company has expected the revenue growth of 30% for fiscal 2026. These estimation of revenue for both fiscal 2025 and 2026 is based on the current order book valuing Rs. 7,368.30 lakhs dated November 30, 2024.

The significant increase of 90.18% in the estimated working capital (WC) requirement, despite a 30% projected growth in revenue for fiscal 2026, is primarily driven by the substantial capital needed to support higher sales volumes. This increase stems from the nature of the projects being undertaken, particularly in long-lead-time sectors such as power and metro infrastructure.

- 1. Long Project Durations: The FGD (Flue Gas Desulphurization) projects are extended over several years, typically 3 years or more, due to delays in project clearances, drawing approvals, site preparation, and equipment procurement. As a result, funds remain tied up for longer durations, increasing the WC requirement beyond the usual expectations.**
- 2. Retention Amounts and Bank Guarantees: Projects of this nature require retention amounts and performance bank guarantees (PBGs) to be held for extended periods. For example, while the typical lock-in period for PBGs is 1 to 1.5 years, it could extend to 2.5 to 3 years for certain projects. For high-profile clients like Power Grid Corporation of India Ltd. (PGCIL), the PBG requirement extends to 5 years, encompassing both the project timeline and the Defect Liability Period (DLP). A project that takes 1 year to complete but has a 5-year DLP will require a PBG for the full 6-year period, which ties up substantial capital.**
- 3. Public Sector Bid Participation: To drive revenue growth, the company needs to participate in a greater volume of public sector bids. For each bid, an Earnest Money Deposit (EMD) of 2% of the estimated project value is mandatory. For example, bidding on a 100 Crore project requires an EMD of 2 Crores, which must be provided either in cash, as a bank guarantee (BG), or through a demand draft (DD), depending on the specific public sector organization. Projects related to nuclear power or defence are particularly cash-intensive, as only cash transfers or DDs are accepted.**
- 4. Metro Projects and Extended Lead Times: Similarly, metro infrastructure projects, such as those involving piping or firefighting systems, have lead times ranging from 3 to 6 years. The company must extend CPBGs for the entire duration of the project, further increasing WC demands.**

In summary, the growth in sales and the expansion into large-scale, long-duration projects necessitate a much higher working capital base. The impact of the current working capital requirement can be observed in the revenue growth over the next 2-3 years, given that the projects undertaken by the company have longer durations. Therefore, the anticipated 90.18% increase in working capital for fiscal 2026 will be sufficient to support and accommodate the expected revenue growth in the near future.

OUR BUSINESS

OUR STRATEGIES

1. Focus on larger value EPC projects

Over the next few years, we will continue to focus on the operations and maintenance of our existing projects while seeking opportunities to further expand our business. Company intends to enter the BioCNG EPC segment as well. We also intend to capitalize on our experience and continue to selectively pursue larger projects, both independently and in partnership with other players. We intend to continue our focus on efficient project execution by adopting industry best practices to deliver quality projects to the satisfaction of our customers. We intend to continue to invest in modern equipment to ensure continuous and timely availability of equipment critical to our business, which will help us in exercising better control over the execution of our projects. We seek to attract, train and retain qualified personnel and skilled employees and labourers and further strengthen our workforce through comprehensive training programs. We will endeavour to offer our engineering and technical personnel a wide range of work experience, in-house training and learning opportunities by providing them a wide variety of large and complex power transmission projects. We will continue to focus on improving our internal systems and processes to reduce manual intervention and improve reliability and efficiency in our business and operations.

GEOGRAPHICAL PRESENCE SALES

e. The following is the break up for list of top 10 customers of our Company for the period ended September 30, 2024 and for the financial years ending March 31, 2024, 2023 and 2022 have been provided below:

(₹ in lakhs)

30 th September 2024		
Customers	Revenue (₹ in lakhs)	% of revenue from operations
Customer I	463.24	25.50
Customer II	315.23	17.35
Customer III	218.46	12.03
Customer IV	155.57	8.56
Customer V	103.48	5.70
Customer VI	88.96	4.90
Customer VII	76.40	4.21
Customer VIII	71.05	3.91
Customer IX	67.36	3.71
Customer X	59.37	3.27

(₹ in lakhs)

Fiscal 2024		
Customers	Revenue (₹ in lakhs)	% of revenue from operations
Customer I	862.82	21.18
Customer II	573.92	14.09
Customer III	477.39	11.72
Customer IV	343.38	8.43
Customer V	282.66	6.94
Customer VI	273.24	6.71
Customer VII	245.61	6.03
Customer VIII	209.28	5.14
Customer IX	173.00	4.25
Customer X	109.49	2.69

(₹ in lakhs)

Fiscal 2023		
Customers	Revenue (₹ in lakhs)	% of revenue from operations
Customer I	262.73	12.90
Customer II	261.95	12.87
Customer III	207.07	10.17
Customer IV	199.66	9.81
Customer V	185.62	9.12
Customer VI	166.81	8.19

Customer VII	133.53	6.56
Customer VIII	120.99	5.94
Customer IX	108.70	5.34
Customer X	85.12	4.18

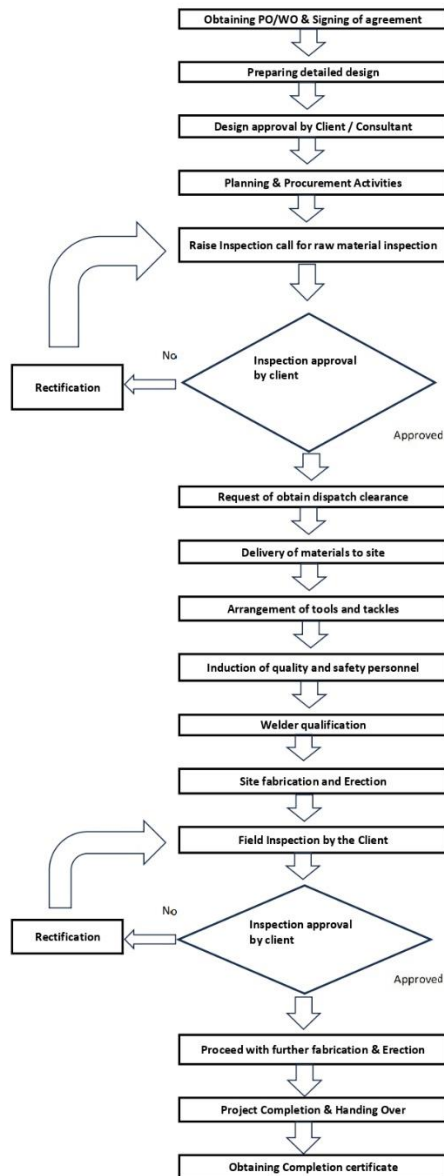
(₹ in lakhs)

Fiscal 2022		
Customers	Revenue (₹ in lakhs)	% of revenue from operations
Customer I	525.50	27.84
Customer II	286.63	15.19
Customer III	264.31	14.01
Customer IV	234.34	12.42
Customer V	94.46	5.00
Customer VI	71.38	3.78
Customer VII	65.40	3.47
Customer VIII	64.62	3.42
Customer IX	63.95	3.39
Customer X	62.57	3.32

OUR EPC PROCESSES:

1. Government details process flow:

Process cycle for executing a government EPC Project:



1. The project execution starts on receipt of LOI / Purchase Order / Work Order from the Client.

Sales team reads through the contract documents received and gives formal acceptance of letter of intent (LOI) or raises discrepancies if any and gets the same resolved with Client. The Client shares his project coordination protocol with Names / mobile numbers / mail ids of personnel responsible for coordinating the project execution at various levels and in return, our company sends the coordination protocol with details of personnel responsible for Engineering, Purchase, Operations, Accounts and Contact management.

2. Preparing Detailed Design:

A Project kick off meeting is called by the Client at the project site where a team representing the company attends the meeting to understand the Client priorities and clearances available. Project L1 schedule that outlines in broad form the Project phase relationships and Milestones list is discussed and agreed upon. The engineering representative requests for drawings/ layouts as applicable for the Project to proceed with detailed engineering.

3. Design approval by Customer/ Consultant:

The technical specifications for the bought-out items are compiled for the various products and shared with the Purchase team for generating enquiries to vendors. In Projects with clear Bill Of materials, the major Bought out items such as Pumps are verified for meeting the contract requirements in terms of head and capacity before giving clearance to Purchase. In case of variation the calculation report is shared with the Client / Consultant for approval

and an amendment is requested. The design basis reports and control philosophies are prepared and submitted to Client for approval. The Layout drawings are prepared using AutoCAD software and isometrics are generated for material take off and erection at site. In Projects where the Layout drawings are provided by Client / Consultant, only isometrics are generated and final Bill of materials is issued to Purchase team for supply. For tanks, the design calculations and General Arrangement drawings (GA drawings) are submitted to Client and on approval, fabrication drawings are prepared for fabrication and erection at site. The plate and structural member quantities are compiled and shared with Purchase team for supply of materials.

4. Planning and procurement activities:

Purchase team sends enquiries to vendors as per the approved vendor list provided for the Project. The technical offers received from Vendors for Bought out items are shared by the Purchase and the same is whetted and cleared by the Engineering team. Commercial negotiations are handled by the Purchase team and Purchase orders are placed on L1 vendor. Purchase team follows the same procedure for all the materials listed in Bill of Quantities (BOQ) for the Project.

5. Raise Inspection call for raw material inspection:

Once the materials / products are manufactured by the vendor in his factory, they share the internal quality reports of the manufactured product with Samay and requests Samay to raise the inspection call. The internal inspection reports conform to the approved Manufacturer's quality assurance procedure (MQAP) document approved earlier by the client. Samay engineers go through the internal test reports and once they are satisfied with the documentation, they inform the Procurement team to raise the official inspection call to the client. Then Samay raises the official inspection call either in the portal or through email attaching all internal test and inspection documents.

6. Inspection Approval by Client:

The client then confirms the inspection date to Samay and the vendor. The client then deputs a person from their inspection team or alternately arranges a third-party inspection agency to visit and inspect the material. The inspector then visits the factory, goes through all documents, witnesses final tests conducted by the vendor and if satisfactory, approves the product. If they notice anomalies, then they seek explanation or asks the vendor to rectify the anomalies and send them the final report. On receipt of this final report inspection approval is given by the client.

7. Request of obtain Dispatch clearance:

Based on the inspection approval from the client, Samay raises a dispatch clearance request to dispatch the material by the vendor to the project site. Once the dispatch clearance is obtained, then Samay issues the dispatch clearance to the vendor and instructs them to ship the materials with proper road worthy / seaworthy packing.

8. Delivery of materials to site:

On order acceptance by the vendor, GA drawings and Manufacturing Quality Plan documents are collected from vendor and sent to Engineering for internal / Client approval as applicable for the Project. On receipt of approval, the manufacturing clearance is given to vendors and advance payments made as per commercial terms of contract with the vendor. On receipt of goods readiness information from vendor, inspection call is raised and the manufactured goods are inspected by Client in cases of critical equipment as per contract terms. In other cases, Company employs third party inspection agencies with qualified manpower for inspection in line with approved Manufacturing quality plan. After completion of inspection and acceptance of goods Material Dispatch Clearance Certificate (MDCC) request is raised. In case inspection waiver is received from Client the Test certificates are verified and submitted to Client along with request for material dispatch clearance. On receipt of MDCC the vendor is asked to ship the materials to project site after packing.

9. Arrangement of tools and tackles:

The subcontractor is asked to mobilize his manpower with required tools and tackles for erection. A materials store is constructed for safe storage of materials, tools and consumables at site. The materials shipped by vendors are received and offloaded at the Project site after appropriate gate entries, inspected visually for integrity in transport as per approved Field quality plan. Any discrepancy is immediately reported to HO and Purchase team for taking

it up with supplier / transit insurance personnel as applicable. Supply invoices are submitted to Client along with Goods receipt note for closure of supply payment.

10. Induction of quality and safety personnel:

In all government projects, Samay has to deploy dedicated safety and quality engineers before commencing the work. Safety person must have diploma or specialized certification in industrial safety and must be aware of the safe handling of materials, employee safety procedures, equipment safety, scaffolding, and hazardous area entry. In some cases, the client interviews the safety person deployed and then gives the green signal to Samay. Similarly, the quality person deployed must preferably be ASNT Level II qualified and must be knowledgeable about quality documentation, welder qualification process, Die Penetrant test (DPT) and Radiography test (RT) as applicable for that site. Once these key personnel are deployed, then the other workmen can be mobilized to proceed with other mobilization activities.

11. Welder qualification:

The team undergoes medical tests and skill qualification tests as applicable for the project. Welder tests are conducted as part of the prequalification process to select the welders. The qualified and certified manpower is provided with gate pass by Client to start the erection activities. The team also undergoes a safety induction training before deployment at site.

12. Site Fabrication and erection:

The material supplies are made based on the site priority and clearances available for erection. Fabrication and erection activities are commenced at site with the supplied materials, following the approved Field quality plan. The major value addition happens in case of raw materials such as steel plates for the site fabricated tanks where the plates need to be cut as per the cutting plan provided in Fabrication drawings. Subsequently they are rolled and fabricated to form the Tank shell, roof and bottom plates. The plates fabrication process has quality checks at various stages namely inspection and clearance after fit up or Radiography tests as applicable.

13. Field Inspection by Client:

The Customer / Consultant inspects the work at various stages and gives a go ahead for further erection. In case of anomalies observed during inspection, the Customer, puts a hold on erection until the anomalies are rectified through rework and further inspection.

14. Inspection Approval:

Once the client approves off, post inspection of the site and materials, further process is so carried on, for completion of the assigned project. If the inspection is not approved, once again site fabrication and erection takes place. Here the short comings are rectified in the process. Once the same is rectified, again the same inspection process takes place.

15. Proceed with further fabrication and erection:

On completion of erection, verticality checks are done for the tank and then hydro test is carried out by filling water. Hydraulic Jacks are used in fabrication of large tanks and hence the stage inspection at ground level is critical before raising the shell. In case of piping projects, the supplied pipes are welded and painted at ground level before raising them for placement in Pipe racks. For under-ground pipes, an anticorrosive layer of wrapping and coating is applied after surface preparation at ground level before lowering the pipes into trenches. The Bought-out equipment such as Pumps along with drives are mounted on civil pedestals along with suction and delivery piping and valves are welded in position as per approved layouts and isometric drawings. Alignment of pumps and drives are critical for completion of erection.

16. Project Completion and handing over:

On completion of erection activities, the project is commissioned and handed over to Customer after performance tests are witnessed by the Customer. A detailed operating and maintenance manual for all the supplied goods is also handed over to the Customer along with updated as Built drawings reflecting any site related changes during erection.

17.Obtaining Completion Certificate:

Final Completion Certificate is received by Company.

SALES & MARKETING TECHNIQUES

OUR MANAGEMENT

ATTRITION OF KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

In the contracting industry, attrition of key managerial personnel is a fact that all companies have to grapple with. The overseas opportunities are very good for talented project personnel and hence contract companies lose employees who move to settle down in the Middle East. The pay differential is huge between India and Overseas. Similarly, the large contractors also hire personnel from the smaller companies, by offering a significant hike in salaries.

SMP/KMP who have left in the past three years and Stub period:

Particulars	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
No. of SMP/KMP left	-	1	-	2

Number of SMP/ KMP joined in past three years and Stub period:

Particulars	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
No. of SMP/KMP joined	-	2	9	1

FINANCIAL INDEBTEDNESS

Details of Secured Borrowings:

The secured loan taken by the company is for the working capital requirement. Company requires working capital due to following reasons:

1. Purchase of Raw materials and consumables.
2. Payment of Contractor Payment.
3. Salaries and wage payment
4. Financial expenses
5. Administration and statutory payment etc.,

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

FISCAL 2024 COMPARED WITH FISCAL 2023

Revenue from Operation

- a. The EGD projects are long lead time projects. Design and approvals take approx. 6 to 12 months. There are several critical components such as agitators are to be imported. Further, when BHEL gives civil clearances, Company can proceed with mechanical engineering works and also to mobilize the site can be undertaken only when foundations are ready for hand over and all drawings are approved. Hence usually the site mobilization takes place only after a period of 12 months from the date of receipt of order. Completion takes about 12 to 18 months. Hence, the project completion time varies from 24 to 30 months from the date of receipt of the order.
- c. The order was received in March 2022 with a completion of October 31, 2022. Sugar crushing season starts by November first week and the sugar mills cannot postpone their operations for any reason whatsoever. The client realized in the month of May that their completion time schedule of October 31, 2022 was very optimistic and not achievable. Hence, they stopped the expansion works and postponed the execution to March 2023.

SECTION VIII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

1. Litigation involving our Company

A. Litigation against our Company

Criminal Proceedings

A criminal application bearing number 13912 of 2023 was filed by M/s RASPL Industries Private Limited (“Complainant”) under Section 200 of the Code of Criminal Procedure, 1973, before the Hon’ble Chief Metropolitan Magistrate, Calcutta, against our Company, Mr. Anand R, our Promoter, Chairman and Managing Director and Ms. Santhi Karthikeyan, our Whole-time Director under Section 34/406/415/420 and 503 read with 120B of the Indian Penal Code, 1860. The Complainant in the application has alleged that our Company and its Directors failed to pay an amount of ₹ 1.89 lakhs, payable towards goods supplied by the Complainant to our Company, which included MS Plate, Angles, Chennels, and other allied products. The Complainant has prayed the Hon’ble Court to take cognizance of the present case and issue process against our Company and our Directors under Section 34/406/420 and 503 read with section 120B of the Indian Penal Code, 1860. Our Company had filed a statement of defence denying the claims made by the Complainant. The Hon’ble Metropolitan Magistrate, Calcutta issued summons to our Company on May 8, 2023 and a warrant of arrest was issued against our Promoter, Chairman and Managing Director, Mr. Anand R, who was later released on bail. **Our Company has filed a petition before the Hon’ble Chief Metropolitan Magistrate, seeking dismissal of the present matter, on the grounds that (i) the Complainant has no business relationship with our Company and our Promoters and that the Complainant is totally unknown to our Promoters; (ii) the Complainant has failed to produce/submit documents before the Court in support of business transactions with our Company; (iii) the alleged cause of action arose between our Company and another party, namely ARS Steel Private Limited which falls within the jurisdiction of Chennai as per the purchase order; (iv) Since, the structure of M/s RASPL Industries Private Limited and ARS Steel Private Limited are not the same, the Complainant has no locus of filing a matter before the Court and the Hon’ble Chief Metropolitan Magistrate does not have the territorial jurisdiction to adjudge the matter. The matter is currently pending before the Hon’ble Chief Metropolitan Magistrate, Calcutta for hearing and shall be listed for hearing on April 30, 2025.**

B. Litigation by our Company

Civil and other Material Litigations

A Company Application was filed by our Company (“Operational Creditor”) before the Mumbai Bench of National Company Law Tribunal for initiating corporate insolvency resolution process under Section 8 and 9 of the Insolvency and Bankruptcy Code, 2016, against M/s Gammon India Limited (“Corporate Debtor”) for recovery of amount of ₹ 130.68 lakhs owed by the Defendants to our Company (the “Suit”) towards the supply of materials supplied for their 30MW Bagasse Based Cogeneration Project. The application was filed pursuant to non-payment of the award amount as awarded by the MSME authority on December 30, 2016 at the interest rate of 24% as notified by RBI as per MSME Act, 2006 and as confirmed by the Madras High Court on November 28, 2022. The Operational Creditor issued and dispatched a Demand Notice via speed post on March 16, 2023 and via email on March 24, 2023 but did not receive any reply. **Our Company withdrew the Company Application filed before the Mumbai Bench of National Company Law Tribunal for initiating corporate insolvency resolution process under Section 8 and 9 of the Insolvency and Bankruptcy Code, 2016 against the Corporate Debtor. On the above grounds, our Company subsequently has filed an application to initiate corporate insolvency resolution process under the Insolvency and Bankruptcy Code, 2016, under Rule 6 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016, before the Mumbai Bench of National Company Law Tribunal, on the same grounds as mentioned above. The company application is presently pending for admission and the application to initiate corporate insolvency resolution process are pending before the Mumbai Bench of National Company Law Tribunal.** The matter is currently pending.

An Arbitration application bearing number 09 of 2023 was filed by our Company (“Claimant”) before the Hon’ble Sole arbitrator, Keerthikiran Murali, against M/s Madhucon Sugars and Power Industries Limited (“Defendant”) for recovery of payment amounting to ₹ 68.12 Lakhs owed by the Defendants to our Company (the “Suit”) towards the supply of piping and appurtenances by our Company. The arbitration was initiated pursuant to the Madras High Court order on December 21, 2018 to set aside the order of the MSME Facilitation Council on July 11, 2018 that directed the Respondent to pay principal amount of ₹ 20.53 lakhs along with interest and to refer the dispute for arbitration. The Claimant approached the MSME Council for the recovery of dues and to nullify the penalty imposed by the Respondent for late delivery since the

delay was attributable to the actions of the Defendant and the mutual extension of time for completion of the project on account of delay. The pleadings in the matter were completed on January 5, 2024, when the claimant filed its rejoinder. Further, the mandate of the sole arbitrator to make an award, which was valid for a period of twelve months was to expire on January 4, 2025. The sole arbitrator pursuant to an email dated December 24, 2024 had sought no objection from the parties to extend the mandate by a further period of six (06) months. The parties have agreed to such extension and the award is pending to be received from the sole arbitrator. Accordingly, the matter is currently pending before the Hon'ble Arbitrator.

6. Tax proceedings against our Company, Promoters and Directors

Set out herein below are details of claims relating to direct and indirect taxes involving our Company Promoters and Directors:

Nature of case	Number of cases	Amount involved (in ₹ lakhs)*
Company		
Direct tax	4 ⁽¹⁾	74.12 [#]
Indirect tax	3 ⁽²⁾	30.69 [^]
Promoters		
Direct tax	Nil	Nil
Indirect tax	Nil	Nil
Directors		
Direct tax	Nil	Nil
Indirect tax	Nil	Nil

*To the extent quantifiable

#By our Company

^Against our Company

(1) a) For the AY 2020-21, our Company had filed its return of income on January 2, 2021 reporting an income of ₹ 48,91,230/- after claiming prepaid taxes of ₹ 13,13,045/-. The return of income was processed under 143(1) and intimation under section 143(1) was issued on December 24, 2021. While processing, it was alleged that the income was inflated by ₹ 57,966/- and the income was assessed at ₹ 49,49,170/- . Further, it was also alleged that TDS credit and advance tax was given only to an extent of ₹ 12,76,126/- as against ₹ 13,13,045/- claimed by our Company. Our Company responded by stating that the difference of TDS credit ₹ 36,919/- was the credit brought forwarded from AY 2019-20 which was not claimed in AY 2019-2020. The TDS credit and corresponding income were offered only in the AY 2020-21.

b) For the other three matters pending against our Company, which pertains to FYs 2005-06, 2006-07 and 2007-08, we have not been able to trace the records concerning these matters, on account of change in the management. Our Company has informed the Income Tax Department about the same. Our Company through its authorized representative had submitted two letters bearing reference numbers NSPA/IT/298/2019-20 dated March 5, 2020 and NSPA/IT/023/2021-22 dated September 14, 2021, respectively. As on date of this Draft Red Herring Prospectus, our Company is yet to receive a response with proper documents or orders for demand raised from the Income Tax Department in these matters. In one of the matters, on the direction of the assessing officer our Company has filed a grievance report before the Central Processing Centre to rectify the demand as per records of the assessing officer.

(2) Demand notice for the Financial Years 2011-2012, 2012-2013 and 2013-2014, was issued to make the payment due for short payment or other payment in respect of sales tax paid by our Company. Our Company received a favorable order from the concerned regulatory authority and the Joint commissioner had filed an appeal against the order seeking payment of the tax difference amount along with penalty.

GOVERNMENT AND OTHER STATUTORY APPROVALS

VII. Domain Name

Sr. No	Domain Name and ID	Sponsoring Registrar and ID	Registrant Name, ID and Address	Creation/ Renewal Date	Registry Expiry Date
1.	www.samayprojects.com	RevinTech	RevinTech Add: No.24/20, 1st floor, Thirumangalam Road, Agathiyar Nagar, Villivakkam, Chennai Tamil Nadu 600049 India	<u>December 11, 2024</u>	<u>December 11, 2025</u>

DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines or regulations issued by the Government and / or the guidelines or regulations issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in this addendum to this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, amended, or the rules made thereunder or Guidelines / Regulations issued, as the case may be. We further certify that all statements and disclosures made in this addendum to this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/- Mr. Anand R Chairman and Managing Director DIN: 01039615	Sd/- Ms. Santhi Karthikeyan Whole Time Director DIN: 01162199
Sd/- Ms. Gowri Ramachandran Independent Director DIN: 08217157	Sd/- Mr. Narayanan Ananthaseshan Independent Director DIN: 02402921
Sd/- Mr. Vinu Independent Director DIN: 08317249	

SIGNED BY THE CFO AND CS OF OUR COMPANY

Sd/- Mr. K Ulaganathan Chief Financial Officer	Sd/- Ms. Ramaa Krishnakumar Company Secretary and Compliance Officer
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Date: February 17, 2025

Place: Chennai