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(Please scan this QR code to view the Addendum)



WATRANA RENTALS LIMITED

Corporate Identification Number: U74999DL2019PLC357671

Registered Office: B-2, Third Floor, Derawal Nagar, Near Model Town Metro Station, Gujranwala Colony, North West Delhi, Delhi, India, 110009

Contact Person: Ms. Gunjan Shah, Company Secretary & Compliance Officer

Tel. No.: +91 9289100302, **E-mail:** cs@wafranarentals.com, **Website:** <https://www.wafranarentals.com/>

Our Company was incorporated as a private limited company in the name of “Watrana Rentals Private Limited”, under the provisions of the Companies Act, 2013, pursuant to a certificate of incorporation dated November 19, 2019, bearing Company Identification Number U74999DL2019PTC357671 by the Assistant Registrar of Companies, Central Registration Centre. Consequently, our Company was converted from a private limited company to a public limited company, pursuant to a special resolution passed in the EGM of our members held on October 24, 2024, and consequently, the name of our Company was changed to “Watrana Rentals Limited” by deletion of the word ‘private’. A fresh certificate of incorporation consequent upon conversion from a private company to a public company dated December 19, 2024, was issued by the Assistant Registrar of Companies/ Deputy Registrar of Companies/ Registrar of Companies, Central Processing Centre to our Company bearing Corporate Identification Number “U74999DL2019PLC357671”. For details of Incorporation, change of name, and registered office of our Company, please refer to the chapter titled “Our History and Certain Corporate Matters” beginning on page 160 of the Draft Red Herring Prospectus.

PROMOTERS OF OUR COMPANY

MR. SANJEEV KUMAR WATRANA, MR. RAJEEV KUMAR WATRANA AND MRS. NEHA WATRANA

ADDENDUM TO THE DRAFT RED HERRING PROSPECTUS DATED JUNE 30, 2025:

NOTICE TO THE INVESTORS (“Addendum”)

INITIAL PUBLIC ISSUE OF UPTO 36,10,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH (“EQUITY SHARES”) OF WATRANA RENTALS LIMITED (“WATRANA RENTALS” OR “THE COMPANY” OR “THE ISSUER”) FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE (THE “ISSUE PRICE”) AGGREGATING TO ₹ [●] LAKHS (“THE ISSUE”), OF WHICH [●] 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 [●] 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 HEREINAFTER 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. THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10/- EACH.

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM ADVERTISED IN [●] EDITION OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND [●] EDITION OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY, HINDI ALSO BEING THE REGIONAL LANGUAGE OF DELHI, WHERE OUR REGISTERED OFFICE IS LOCATED). AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED (“NSE”) FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITE. FOR FURTHER DETAILS KINDLY REFER TO THE CHAPTER TITLED “TERMS OF THE ISSUE” BEGINNING ON PAGE 390 OF THE DRAFT RED HERRING PROSPECTUS.

This is with further reference to the DRHP dated June 30, 2025, filed by the Company with the NSE. Potential Applicants may note the following:

1. In the section “Definitions and Abbreviations”, provided herein below as part of the Addendum, modifications have been updated.
2. In the section “Summary of the Draft Issue Document”, provided herein below as part of the Addendum, modifications have been updated.
3. In the section “Risk Factors”, provided herein below as part of the Addendum, modifications have been updated.
4. In the section “General Information”, provided herein below as part of the Addendum, modifications have been updated.
5. In the section “Capital Structure”, provided herein below as part of the Addendum, modifications have been updated.
6. In the section “Objects of the Issue”, provided herein below as part of the Addendum, modifications have been updated.
7. In the section “Our Business”, provided herein below as part of the Addendum, modifications have been updated.
8. In the section “Our Management”, provided herein below as part of the Addendum, modifications have been updated.
9. In the section “Our Promoters & Promoter Group”, provided herein below as part of the Addendum, modifications have been updated.
10. In the section “Our Group Companies”, provided herein below as part of the Addendum, modifications have been updated.
11. In the section “Management’s Discussion and Analysis of Financial Conditions and Results of Operations”, provided herein below as part of the Addendum, modifications have been updated.

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 and Prospectus, as and when filed with the RoC, the SEBI, and the Stock Exchange. All capitalized 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 Watrana Rentals Limited

Sd/-

Managing Director: Mr. Sanjeev Kumar Watrana

Date: September 11, 2025

DIN: 00469329

Place: Delhi

BOOK RUNNING LEAD MANAGER TO THE ISSUE



Oneview Corporate Advisors Private Limited

Address: The Summit Business Bay, 619 & 620, 6th Floor,

266/1-172, Gundavali, Andheri Kurla Road,

Andheri (East), Mumbai - 400 093

Tel: +91- 22- 6901 0381

Email: mbd@oneviewadvisors.com

Investor Grievance ID – investorgrievance@oneviewadvisors.com

Website: www.oneviewadvisors.com

Contact Person: Alka Mishra

SEBI Registration No: INM000011930

REGISTRAR TO THE ISSUE



Maashitla Securities Private Limited

Address: 451, Krishna Apra Business Square, Netaji Subhash Place, Pitampura, Delhi-110034

Tel: 011-47581432

Email: ipo@maashitla.com

Fax: NA

Website: www.maashitla.com

Investor Grievance ID: investor.ipo@maashitla.com

Contact Person: Mr. Mukul Agrawal

SEBI Registration No: INR000004370

ISSUE PROGRAMME

ANCHOR INVESTOR BID/ISSUE PERIOD*: [●]

BID/ISSUE OPENS ON: [●]

BID/ISSUE CLOSES ON: [●]**

*The Company may, in consultation with the Book Running Lead Manager, 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, in consultation with the Book Running Lead Manager, may consider closing the Bid/ Issue Period for QIBs one Working Day prior to the Bid/ Issue Closing Date in accordance with the SEBI ICDR Regulations.

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

Note: The disclosures in the Chapter “Definitions and Abbreviations” beginning on page no. 1 of the Draft Red Herring Prospectus dated June 30, 2025, shall be updated/ replaced, as applicable, with the below mentioned disclosures in the Red Herring Prospectus and Prospectus:

Company Related Terms

Term	Description
“Promoter” or “Promoters” or “Our Promoters”	The Promoters of our Company being Sanjeev Kumar Watrana, Rajeev Kumar Watrana and Mrs. Neha Watrana. For details, see “ <i>Our Promoters and Promoter Group</i> ” beginning on page 181.

SUMMARY OF THE DRAFT ISSUE DOCUMENT

Note: The disclosures in the Chapter “Summary of the Draft Issue Document” beginning on page no. 22 of the Draft Red Herring Prospectus dated June 30, 2025, shall be updated/ replaced, as applicable, with the below mentioned disclosures in the Red Herring Prospectus and Prospectus:

NAME OF PROMOTERS

The Promoters of our Company are Mr. Sanjeev Kumar Watrana, Mr. Rajeev Kumar Watrana and Mrs. Neha Watrana. For detailed information, please refer to the Chapter titled “*Our Promoters and Promoter Group*” beginning on page 181 of the Draft Red Herring Prospectus.

PRE-ISSUE SHAREHOLDING OF THE PROMOTERS AND PROMOTER GROUP

Our Promoters and Promoter Group members collectively hold 1,00,10,000 Equity Shares of our Company aggregating to 100% of the pre-Issue paid-up share capital of our Company. Following are the details of shareholding of Promoters and Promoter group members:

Sr No.	Name of the Shareholders	Pre-issue		Post-issue	
		No. of Equity Shares	% of pre-issue capital	No. of Equity Shares	% of post-issue capital
(I)	(II)	(III)	(IV)	(V)	(VI)
A)	Promoters				
1)	Sanjeev Kumar Watrana	50,04,975	49.999	[●]	[●]
2)	Rajeev Kumar Watrana	50,04,975	49.999	[●]	[●]
3)	Neha Watrana	10	Negligible*	[●]	[●]
	Sub Total (A)	1,00,09,960	99.99	[●]	[●]
B)	Promoter Group				
1)	Arti Watrana	10	Negligible*	[●]	[●]
2)	Anubhav Kumra	10	Negligible*	[●]	[●]
3)	Kiran Kumra	10	Negligible*	[●]	[●]
4)	Pankaj Bassi	10	Negligible*	[●]	[●]
	Sub Total (B)	40	Negligible*	[●]	[●]
	Total (A) + (B)	1,00,10,000	100%		

*Less than 0.01%

Note: There is no offer for sale from the existing Shareholders of the Company in the present issue of the Company.

For further details, see the chapter titled “*Capital Structure*” beginning on page 75 of the Draft Red Herring Prospectus.

AGGREGATE PRE-ISSUE AND POST-ISSUE SHAREHOLDING OF THE PROMOTERS, PROMOTER GROUP AND THE ADDITIONAL TOP 10 SHAREHOLDERS

Our Promoters and Promoter Group members are collectively holding 1,00,10,000 Equity Shares of face value ₹ 10/- each of our Company, aggregating to 100% of the pre-Issue paid-up share capital of our Company. Following are the details of the shareholding of Promoters and Promoter group members:

S. No.	Name of the Shareholders	Pre-Issue shareholding as at the date of Advertisement	Post-Issue shareholding as at Allotment***
--------	--------------------------	--	--

		No. of Equity Shares**	% of pre-issue capital**	At the lower end of the price band (₹ [●])		At the upper end of the price band (₹ [●])	
				No. of Equity Shares**	% of post-issue capital**	No. of Equity Shares**	% of post-issue capital**
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)
A)	Promoters						
1)	Sanjeev Kumar Watrana	50,04,975	49.999	[●]	[●]	[●]	[●]
2)	Rajeev Kumar Watrana	50,04,975	49.999	[●]	[●]	[●]	[●]
3)	Neha Watrana	10	Negligible [#]	[●]	[●]	[●]	[●]
	Sub Total (A)	1,00,09,960	99.99	[●]	[●]	[●]	[●]
B)	Promoter Group*						
1)	Arti Watrana	10	Negligible [#]	[●]	[●]	[●]	[●]
2)	Anubhav Kumra	10	Negligible [#]	[●]	[●]	[●]	[●]
3)	Kiran Kumra	10	Negligible [#]	[●]	[●]	[●]	[●]
4)	Pankaj Bassi	10	Negligible [#]	[●]	[●]	[●]	[●]
	Sub Total (B)	40	Negligible[#]	[●]	[●]	[●]	[●]
	Total	1,0010,000	100%	[●]	[●]	[●]	[●]

Notes:

*The Promoter Group shareholders are Arti Watrana, Anubhav Kumra, Kiran Kumra, and Pankaj Bassi.

**Includes all options that have been exercised until the date of the Prospectus and any transfers of equity shares by existing shareholders after the date of the pre-issue and price band advertisement until the date of Prospectus.

***Based on the Issue price of ₹ [●] and subject to finalization of the basis of allotment.

[#]Less than 0.01%

WEIGHTED AVERAGE PRICE AT WHICH EQUITY SHARES ACQUIRED BY EACH OF OUR PROMOTERS DURING THE LAST ONE YEAR PRECEDING THE DATE OF THE DRAFT RED HERRING PROSPECTUS

None of our Promoters have acquired equity shares in the last one year preceding the date of the Draft Red Herring Prospectus except Mrs. Neha Watrana who has acquired 10 shares by way of gift from Mr. Rajeev Kumar Watrana on October 07, 2024.

Name of Promoters	Number of Equity Shares	Weighted average price per Equity Share (in ₹) *
Neha Watrana	10	NIL

*As certified by Statutory Auditor PRASS & Associates LLP, Chartered Accountant dated September 08, 2025, UDIN: 25520266BMIOJK7787.

For, further details of the acquisition of Equity Shares of our Promoters, see “**Capital Structure – Buildup of the Equity Shareholding of our Promoters in our Company**” beginning on page 75 of the Draft Red Herring Prospectus.

AVERAGE COST OF ACQUISITION OF SHARES

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

Name of Promoters	Number of Equity Shares held	Average Cost of Acquisition of Shares per Equity Share (in ₹)*
Sanjeev Kumar Watrana	50,04,975	0.01
Rajeev Kumar Watrana	50,04,975	0.01
Neha Watrana	10	NIL

**As certified by Statutory Auditor PRASS & Associates LLP, Chartered Accountant dated September 08, 2025, UDIN No. 25520266BMIOJJ3368.*

Note: *There is no offer for sale from the existing shareholders of the Company in the present issue of the Issuer.*

Further details of the acquisition of Equity Shares of our Promoters, see “**Capital Structure – Buildup of the Equity Shareholding of our Promoters in our Company**” beginning on page 75 of the Draft Red Herring Prospectus.

SECTION II - RISK FACTORS

Note: The Risk Factors have been revised, modified, renumbered, and rearranged to reflect the Company's assessment of their materiality, in line with SEBI (ICDR) Regulations, 2018. These changes have been undertaken only with respect to internal risk factors.

Accordingly:

1. The Risk Factors have been rearranged in order of materiality.
2. Risk Factor Nos. 7, 10, 12, 13, 14, 15, 20, 21, 23, 25, 29, 31, 34, 39, 41 have been renumbered to 3, 4, 5, 8, 7, 6, 20, 13, 14, 28, 33, 35, 9, 45, 12 respectively.
3. Risk Factor Nos. 9, 12, 20, 28, 33, 35 and 43 of this revised draft have been modified.
4. Risk Factor No. 22, 36, 47, 48, 51, 52 has been added to this revised draft.
5. Risk Factor No. 2 has been merged with Risk Factor No. 1 to avoid duplication.

The following risk factors (arranged in accordance with their materiality to the Company) in the Chapter "Risk Factors" beginning on page no. 31 of the Draft Red Herring Prospectus dated June 30, 2025, shall be updated/added/replaced, as applicable, with the below-mentioned disclosures in the Red Herring Prospectus and Prospectus:

INTERNAL RISKS RELATED TO OUR BUSINESS

1. **Our Company has availed secured borrowings from banks and financial institutions, and any default, delay, or non-compliance with the terms of these loan facilities may lead to enforcement actions against our charged assets, thereby adversely affecting our operations, financial condition, and creditworthiness.**

Our Company has availed various secured loan facilities from banks and financial institutions to fund our business requirements, including working capital needs, equipment procurement, and capital expenditure. In connection with such borrowings, our lenders have created a charge over our movable and other assets, including certain material handling equipment, through hypothecation or other forms of security interest.

These loan facilities are subject to various covenants, such as timely repayment of principal and interest, maintenance of specified financial ratios, restrictions on creating additional encumbrances, and other operational or financial conditions. Any breach of these covenants, delay or default in repayment, or non-compliance with the terms of the financing agreements may empower the lenders to invoke their rights, including seizure or restriction of use of essential equipment, freezing of accounts, or initiation of recovery proceedings. Such enforcement actions could disrupt our operations, impact our ability to meet contractual obligations to clients, and materially impair our core rental and trading business.

Moreover, our reliance on external borrowings exposes us to financial risks, including increased interest burdens, reduced cash flows, and lower financial flexibility. Any downgrade in our creditworthiness or a history of defaults may restrict our ability to raise future debt on favourable terms or at all. Further, adverse macroeconomic events such as rising interest rates, withdrawal of sanctioned limits, or a systemic liquidity crisis may affect our access to timely financing and impact business continuity.

For further details regarding our borrowings and financial covenants, please refer to the chapters titled “**Financial Indebtedness**” and “**Restated Financial Statements**” beginning on pages 328 and 190 of the Draft Red Herring Prospectus, respectively.

2. **Our business is substantially dependent on revenue from the rental of Material Handling Equipment, and any adverse developments in this segment could materially affect our financial condition, results of operations, and cash flows.**

Our Company derives a significant portion of its revenue from the rental of Material Handling Equipment (MHE). This business model serves a variety of sectors, including manufacturing, warehousing, logistics, and industrial infrastructure. Given this revenue concentration, our performance is highly sensitive to adverse developments in the MHE rental and sales segment. These may include, but are not limited to, changes in regulatory policies, macroeconomic downturns, shifts in government infrastructure spending, tightening of industrial capital expenditure, disruptions in the supply chain, rising fuel or equipment costs, increased competition, or rapid technological advancements leading to market obsolescence of current offerings.

Such events may cause a decline in customer demand, pricing pressures, order cancellations, or delays in deployment, which could materially affect our ability to maintain or grow revenues and profitability. Our limited revenue diversification amplifies this risk. Our dependence on MHE rental sales is also demonstrated in our Restated Financial Statements for the period ended December 31, 2024, and for the Financial Years ended March 31, 2024, 2023, and 2022, as presented below:

(Rs. In Lakhs)

Particulars	For the nine months period ended December 31, 2024		For the Financial Year ended					
			March 31, 2024		March 31, 2023		March 31, 2022	
	Amount	In %	Amount	In %	Amount	In %	Amount	In %
Sales of Services – Hiring income	11,985.65	92.73 %	12,029.12	92.45 %	7,981.22	92.68 %	4,520.71	95.57 %
Sale of Trading of Goods	497.75	3.85%	452.93	3.48%	86.24	1.00%	62.33	1.32%
Freight and Manpower Charges	434.79	3.36%	529.57	4.07%	544.35	6.32%	146.87	3.11%
Scrap Sales	7.40	0.06%	-	0.00%	-	0.00%	-	0.00%
Total	12,925.59	100.00 %	13,011.62	100.00 %	8,611.81	100.00 %	4,729.91	100.00 %

Given that a significant portion of our revenue is derived from repeat business, any decline in client renewal rates, default by major clients, or failure to onboard new clients may materially impact our cash flows and working capital position. There is no assurance that our past performance in this segment will continue or that we will be able to sustain or increase its contribution to our future revenue.

3. **Rapid technological advancements in Material Handling Equipment may render our existing fleet obsolete, requiring significant capital investment and impacting our competitiveness.**

The Material Handling Equipment industry is subject to technological innovation and evolving client expectations, particularly with the increasing adoption of automation, batteries, and advanced safety

features. In order to remain competitive and continue meeting the operational requirements of our clients across sectors such as logistics, warehousing and manufacturing, we are required to periodically upgrade our fleet and offer technologically updated equipment.

If we are unable to anticipate or adapt to these evolving technologies in a cost-effective and timely manner, our existing fleet may become obsolete or less desirable to clients, leading to a decline in asset utilization, reduced rental yields, and potential write-downs of underperforming assets. Additionally, our inability to upgrade or acquire advanced equipment could adversely affect our ability to meet client specifications and service expectations, particularly where clients demand equipment with high energy efficiency, automation, or enhanced safety compliance. Any delay or inability to invest in newer technologies, whether due to financial, logistical, or supplier constraints, could materially and adversely affect our business, growth prospects, financial condition, and results of operations.

4. Our reliance on third parties for the maintenance and servicing of our Material Handling Equipment fleet may adversely affect our business, results of operations, and financial condition.

Our business operations are heavily reliant on the availability and performance of our fleet of Material Handling Equipment, which is rented out to various industrial clients. We do not perform in-house maintenance or servicing of our fleet but instead depend on third-party service providers for preventive and corrective maintenance, breakdown support, and overhauls. However, our Company has not entered into any formal technical service or maintenance agreements with such service providers and relies on ad-hoc servicing arrangements and our internal technical team for equipment upkeep.

This dependence exposes us to risks related to delays, inefficiencies, or failures by third-party vendors to carry out timely maintenance, especially during periods of high operational demand. Any such lapse may result in increased equipment downtime, disruption in client services, non-fulfillment of contractual obligations, and reputational damage. Furthermore, inconsistencies in service quality or the unavailability of spare parts may adversely affect the performance and longevity of our fleet.

As our fleet expands or operates across new geographies, the absence of formal maintenance arrangements may compound operational inefficiencies and impact long-term asset utilization and profitability. Any inability to find competent alternate service providers on commercially viable terms may further affect our operations, client satisfaction, and financial condition.

5. Our Promoters have direct interests in entities engaged in businesses similar to ours, which may result in actual or potential conflict of interest.

Our Promoters have direct interests in Watrana Traction Company, a partnership firm forming part of our Promoter Group, and are also directors in our Group Company, Watrana Traction Private Limited.

Watrana Traction Private Limited is actively engaged in the sale of batteries, an activity that overlaps with one of the business verticals of our Company. Additionally, Watrana Traction Company is engaged in the business of providing MHE to companies on a rental basis, which overlaps with the rental segment of our operations. From time to time, our Company also procures MHEs on rent from Watrana Traction Company in order to meet our customers' requirements and further renting out such equipment to our clients.

This arrangement with Watrana Traction Company may give rise to related party transactions and perceived lack of arm's length dealings, including potential pricing, quality, or availability issues in comparison to third-party vendors. Such overlapping interests could give rise to actual or perceived conflicts of interest, particularly in instances where there is alignment or competition in business activities, strategic priorities, or client relationships.

While we have implemented governance mechanisms including execution of non-compete agreement with the group company to manage related party transactions and adhere to the relevant provisions of the Companies Act, 2013, and the SEBI Listing Regulations, there can be no assurance that potential conflicts of interest, if they arise, will be identified or resolved in a timely and effective manner. Any failure to do so may adversely affect our operations, reputation, business prospects, or financial performance.

For further information on our Group Companies and the nature of their business activities, please refer to the chapter titled “*Our Group Companies*” beginning on page 185 of the Draft Red Herring Prospectus.

6. We rely on third-party suppliers for the procurement of Material Handling Equipment (MHE) and batteries. Any disruption in the supply chain or failure by such suppliers to fulfil their obligations may adversely impact our ability to meet client requirements and affect our revenues.

Our business model involves providing rental services and trading of MHE, including diesel and electric forklifts, reach trucks, pallet stackers, and towing trucks, among others. To fulfil new orders placed by our clients, particularly in the trading vertical, we rely significantly on third-party suppliers for sourcing MHE and batteries. Any disruption in this supply chain, due to factors such as delays in shipping and customs clearance, changes in import-export regulations, geopolitical instability, foreign exchange fluctuations, supplier-side production issues, or quality concerns, can lead to delayed fulfilment of client orders, operational inefficiencies, and reputational harm.

Further, if any of our suppliers experience financial distress, breach contractual terms, or fail to meet quality and delivery standards, we may be compelled to source equipment from alternate suppliers, potentially at higher costs or on less favourable terms. This could result in increased procurement costs, delays in deployment timelines, and impact our ability to scale operations as planned. Although we strive to diversify our supplier base, there is no assurance that we will not face future disruptions. Any such event may have a material adverse effect on our operations, client relationships, and financial condition.

7. Our business is significantly dependent on the performance of various industries in the Indian market, and any adverse developments in other sectors could materially affect our operations, cash flows, and financial condition.

Our business model involves providing material handling equipment rental solutions, trading of MHE, and related support services across a broad spectrum of industrial sectors. Our clients operate in diverse industries including, but not limited to, automotive, warehousing and logistics, manufacturing, retail, cosmeceuticals amongst others. Consequently, our revenue and business performance are inherently linked to the operational health and capital expenditure cycles of these end-user industries.

Adverse developments in any of these sectors such as a slowdown in manufacturing, reduced infrastructure spending, changes in government regulations, delay in large-scale logistics or warehousing projects, labour shortages, or a downturn in capital investments can negatively impact the demand for MHE and associated services. This may lead to reduced rental orders, postponement or cancellation of purchases, contract non-renewals, or pricing pressure, all of which could materially impact our revenues and profitability. While our diversified client base across industries provides some level of risk mitigation, our business remains vulnerable to sector-specific and cyclical fluctuations. Any prolonged weakness in one or more sectors we serve could have a material adverse effect on our business, results of operations, cash flows, and financial condition.

8. A significant portion of our revenue is derived from a limited number of clients. Loss of one or more such key clients or a reduction in demand from them could affect our business, financial condition, cash flows, and results of operations.

We derive a significant portion of our revenue from a concentrated base of clients. For the period ended December 31, 2024, and the Financial Years ended March 31, 2024, March 31, 2023, and March 31, 2022, revenue from our top five clients constituted 17.69%, 20.74%, 26.59%, and 30.50% of our total revenue from operations, respectively. Revenue from our top ten clients accounted for 29.15%, 31.86%, 39.96%, and 45.02%, respectively, during the same periods.

This reliance on a relatively small group of clients exposes us to client concentration risk. The loss of one or more of these clients, a reduction in the volume of business they conduct with us, or adverse changes in their procurement strategy could materially and adversely affect our revenues and profitability. Factors such as shifts in client preference, increased competition, changes in outsourcing policies, pricing pressure, contract non-renewals, or internal restructuring at the client level could result in a significant reduction or cessation of business from these key clients.

While we strive to maintain long-standing relationships and deliver quality services to retain our major clients, there can be no assurance that we will continue to receive business from them at current levels, or that we will be able to diversify our client base effectively. A failure to do so could result in volatility in our revenue streams and have a material adverse effect on our business, financial condition, cash flows, and results of operations.

9. **There have been some instances of delayed filings, non-filings, and inadvertent errors in statutory filings under the Companies Act, 2013, in the past, which may subject us to penalties or regulatory action.**

Our Company is required to comply with various statutory requirements under the Companies Act, 2013, and rules made thereunder, including the timely filing of forms and returns with the Registrar of Companies. However, there have been instances in the past where we have (a) failed to file certain forms; (b) filed forms with delays; and (c) submitted forms containing inadvertent inaccuracies, which may expose us to penalties, compounding proceedings, or regulatory scrutiny.

- A. Our Company has not complied with the statutory provisions of the Companies Act, 2013 relating to the filing of Form CHG-1 and CHG-4 with the Registrar of Companies for certain loan transactions undertaken for commercial purposes. For details of such loans, please see chapter “**Restated Financial Statements – Annexure - XLVI**” at the beginning of page 190. Non-filing of charge-related forms may be construed as non-compliance under Sections 77 and 86 of the Companies Act, 2013, which may result in penalties and adverse inferences with respect to the priority of such charges and charges which are not satisfied.
- B. Further, there were cases of delayed filing of statutory forms under the Companies Act, 2013 with the Registrar of Companies, which were subsequently rectified by paying additional fees. These delays occurred due to inadvertent reasons and ranged from 05 to 93 days. The following table summarises the delays

Sr. No.	Description of Form	Date of event	Due date	Date of filing	Delay (no. of days)	Reason for delay
1.	AOC-4	30.09.2024	29.10.2024	05.12.2024	37	Inadvertent
2.	CHG 1	09.10.2024	08.10.2024	21.11.2024	43	Inadvertent
3.	CHG 1	06.09.2024	05.10.2024	01.11.2024	56	Inadvertent

4.	CHG 1	28.02.2023	30.03.2023	28.04.2023	59	Inadvertent
5.	CHG 1	30.10.2023	29.11.2023	04.12.2023	35	Inadvertent
6.	CHG 1	06.03.2023	05.04.2023	28.04.2023	53	Inadvertent
7.	CHG 1	22.03.2023	21.04.2023	11.05.2023	50	Inadvertent
8.	CHG 1	27.06.2022	27.07.2022	08.09.2022	73	Inadvertent
9.	CHG 1	20.09.2022	20.10.2022	22.11.2022	63	Inadvertent
10.	CHG 1	30.10.2023	29.11.2023	14.12.2023	45	Inadvertent
11.	CHG 1	15.06.2023	15.07.2023	19.07.2023	34	Inadvertent
12.	CHG 1	24.05.2023	23.06.2023	24.06.2023	31	Inadvertent
13.	CHG 1	31.10.2022	30.11.2022	26.12.2022	56	Inadvertent
14.	CHG 1	17.01.2023	16.01.2023	28.02.2023	42	Inadvertent
15.	CHG 1	28.09.2022	28.10.2022	28.11.2022	61	Inadvertent
16.	CHG 1	28.12.2022	27.01.2023	13.03.2023	75	Inadvertent
17.	CHG 1	03.02.2023	05.03.2023	22.03.2023	47	Inadvertent
18.	CHG 1	09.01.2023	08.02.2023	28.02.2023	50	Inadvertent
19.	CHG 1	13.01.2025	12.02.2025	21.02.2025	39	Inadvertent
20.	CHG 1	09.10.2024	08.10.2024	21.11.2024	43	Inadvertent
21.	CHG 1	06.09.2024	05.10.2024	01.11.2024	56	Inadvertent
22.	CHG 1	29.04.2022	29.5.2022	14.06.2022	17	Inadvertent
23.	CHG 1	26.12.2020	25.01.2021	19.03.2021	54	Inadvertent
24.	CHG 1	21.12.2021	20.01.2022	25.01.2022	05	Inadvertent
25.	CHG 1	23.11.2020	22.12.2020	19.03.2021	88	Inadvertent
26.	CHG 1	17.12.2020	16.01.2021	19.03.2021	63	Inadvertent
27.	CHG 1	08.12.2020	07.01.2021	19.03.2021	72	Inadvertent
28.	CHG-4	16.04.2024	16.05.2024	24.05.2024	38	Inadvertent
29.	ADT-3	18.09.2024	18.10.2024	28.10.2024	40	Inadvertent

30.	INC 27	24.10.2024	08.11.2024	26.11.2024	33	Inadvertent
31.	ADT-1	18.09.2024	03.10.2024	3.01.2025	93	Inadvertent

Though the Company has paid additional fees for all such delays, repeated lapses may expose the Company to penalties under Section 403 of the Companies Act, 2013 and may be viewed as non-compliance from a corporate governance perspective.

- C. There have been certain clerical and typographical inaccuracies in some of our filed forms. For instance, in PAS-3 dated 03.10.2024 and MGT-14 dated 26.09.2024, the bonus share ratio was erroneously mentioned due to typographical errors and clerical oversight. Additionally, in MGT-14, the date of signature on the certified resolution was incorrectly stated. However, it is important to note that in both the forms, while the numerical figures were misstated, the correct bonus ratio was accurately mentioned in words within the respective resolutions.

While these errors do not reflect fraudulent intent and are being evaluated for rectification or clarification, any future inaccuracies may invite scrutiny from regulatory authorities and could lead to reputational concerns. We cannot assure you that similar non-compliances or delays will not occur in the future. Any adverse findings, regulatory actions, or penalties on account of these or future lapses may materially and adversely affect our corporate standing, financial condition, and reputation.

10. Our Company has availed secured loans that are subject to restrictive covenants and may be recalled upon default, which could adversely affect our operations, cash flows, and financial condition.

As of December 31, 2024, our Company has availed various secured loan facilities from banks and financial institutions to fund capital expenditure, working capital requirements, and general business operations amounting to Rs. 9,318.89 Lakhs. These secured borrowings are backed by charges on the Company's tangible and movable assets, which may limit our ability to raise additional financing against these assets in the future.

The loan agreements governing these secured facilities are subject to certain terms and conditions, including financial covenants, periodic repayment obligations, maintenance of security coverage, and restrictions on the disposal or transfer of secured assets without prior lender consent. Non-compliance with any of these conditions or covenants, whether technical or substantive, could trigger an event of default, leading to acceleration of loan repayment or enforcement of security by the lenders.

While we have not defaulted on any repayment obligations as of the date of the Draft Red Herring Prospectus, there is no assurance that we will continue to comply with all terms and conditions in the future. Any adverse action by lenders could materially and adversely affect our liquidity, business continuity, financial condition, and growth prospects.

For further details, see the chapter titled “*Financial Indebtedness*” and “*Restated Financial Statements*” beginning on page 328 and 190 respectively of the Draft Red Herring Prospectus.

11. Our Company has unsecured loans and a secured loan which are repayable on demand.

Our Company has availed unsecured loans from our Promoters and a secured loan from HDFC Bank Limited, which may be recalled by them at any time with or without the existence of an event of default, on short or no notice. As of December 31, 2024, such loans that are repayable on demand from Promoters and HDFC Bank Limited amounted to Rs. 1,192.14 lakhs Rs. 983.74 lakhs respectively. In the event that

any Promoter or HDFC Bank Limited seeks repayment of any such loans, our Company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. As a result, any such demand may materially affect our business, cash flows, financial condition, and results of operations. For further details, please see the chapter titled “**Financial Indebtedness**” beginning on page 328 of the Draft Red Herring Prospectus.

12. **We have in the past entered into related party transactions and may continue to do so in the future. Certain of these transactions individually exceeded 10% of the total transactions of a similar nature. We cannot assure you that we could have achieved more favourable terms had such transactions not been entered into with related parties.**

We have, in the ordinary course of business, entered into various transactions with related parties. While we believe that all such related party transactions undertaken by our Company during the financial years ended March 31, 2022, 2023, and 2024 were conducted on an arm’s length basis, certain related party transactions individually exceeded 10% of the total value of similar transactions during the respective periods. These include:

- a. **Hiring expenses** (99.69% of total hiring expenses),
- b. **Office rent** (33.96% of total office rent),
- c. **Goods purchased** (53.95% of total goods purchased),
- d. **Goods/machinery sold** (32.64% of total goods/machinery sold),
- e. Corporate guarantee (100%),
- f. **Loan taken** (43.16% of total loans taken), and
- g. **Loan repaid** (38.25% of total loans repaid).

For further details, please refer to the section titled “**Restated Financial Statements – Annexure XXXVII - Details of Related Party Transactions**” on page 223 of the Draft Red Herring Prospectus.

Although all such transactions have been entered into in compliance with applicable laws, including the Companies Act, 2013, and the SEBI Listing Regulations, we cannot assure you that we could not have achieved more favourable terms had they been entered into with unrelated third parties. Further, it is possible that we may enter into related party transactions in the future, subject to applicable laws. Any such future transactions may give rise to conflicts of interest or result in terms that may not be as favourable as those entered into on an arm’s length basis and may have an adverse effect on our business, financial condition, cash flows, and results of operations.

13. **Our revenue may be subject to fluctuations due to seasonal variations in client demand, even though our business operations are not inherently seasonal in nature.**

While our Company’s operations are not inherently seasonal, we serve a diverse customer base across sectors such as automotive, warehousing, logistics, and e-commerce, many of which experience season-driven fluctuations in their business volumes. These client-side variations, especially during major festivals, fiscal year-end cycles, or peak manufacturing seasons, may lead to corresponding changes in the demand for our material handling equipment (MHE) rental and trading services.

Although our service offerings remain consistent throughout the year, client operational patterns may lead to uneven order placements, deferred deployments, or temporary scale-ups, which in turn may cause quarterly variations in our revenue, inventory utilization, and cash flows. Such fluctuations are driven by external client cycles and do not reflect any seasonal limitation or variation in our internal capacity or business model.

While we mitigate this risk by serving a broad industrial base and offering flexible rental terms, we cannot assure that client-side demand shifts will not affect our revenue, profitability, or resource planning in specific periods.

14. **Any inability to meet client commitments related to the timely delivery, quality, or performance of MHE may result in client claims, reputational damage, and financial losses, which could adversely affect our business and results of operations.**

The MHEs that we give on a rental basis are often mission-critical to our clients' industrial, warehousing, and logistical operations. As such, our business performance is closely tied to our ability to deliver and maintain MHE within agreed timelines.

Our commitments to clients typically include the timely deployment of equipment, provision of qualified operators where required, and assurances on operational readiness and safety standards. Failure to meet these obligations, whether due to logistical delays, breakdown of MHE, manpower constraints, supply chain disruptions, or quality issues, can lead to cancellation of contracts, imposition of penalties, claims for damages, and termination of ongoing engagements. This may materially and adversely affect our revenue, profitability, and client relationships.

Further, our procurement and allocation decisions are dependent on internal demand forecasts based on historical consumption patterns and client projections. Any inaccuracies in forecasting may result in either overstocking, leading to higher inventory holding costs, or understocking, resulting in delayed deliveries, potential revenue loss, and client dissatisfaction.

Additionally, increased freight costs, supply chain constraints, or unavailability of batteries or MHE may impair our ability to fulfill service contracts. As of the date of the Draft Red Herring Prospectus, there have been no material client claims made against us for delivery failures. However, we cannot assure that such claims or disruptions will not occur in the future or that they will not materially impact our business operations, cash flows, and financial condition.

15. **We operate under trademarks owned by our Group Company, Watrana Traction Private Limited, and any adverse developments relating to the continued use of such trademarks may affect our brand identity, client confidence, and business operations.**

Our Company operates its business using trademarks registered in the name of Watrana Traction Private Limited, which is one of our Group Company. These include the trademarks bearing registration numbers 3736469, 3736470, and 3736471, registered under Classes 12 and 7, respectively, pursuant to the Trade Marks Act, 1999. The continued use of these trademarks by our Company is based on an authorization letter dated April 5, 2025, issued by Watrana Traction Private Limited in our favour, permitting us to use the said intellectual property in the course of our business.

However, our Company is not the legal owner of the said trademarks. Accordingly, we are exposed to certain risks associated with the dependency on a Group Company's intellectual property. Any change in the relationship with the said Group Company, withdrawal or termination of the authorization, or any disputes relating to ownership, licensing, or enforcement of trademark rights may adversely affect our ability to use the said marks. Moreover, any third-party claims, litigations, or restrictions on our ability to use these marks could disrupt our branding, marketing, and client-facing operations.

We rely on these trademarks for our brand visibility and client trust in the marketplace. Any impairment of our rights to use the said trademarks may require us to rebrand our business, which could result in loss of brand equity, increased marketing costs, operational disruptions, and diminished client goodwill. Further,

while no such disputes or claims have arisen as of the date of the Draft Red Herring Prospectus, we cannot assure you that the current arrangement will continue uninterrupted in the future or that we will not be subject to any third-party claims or internal restructuring that may impact our continued right to use the said trademarks.

For further details on our trademarks, please refer to the chapter titled “*Our Business*” beginning on page 134 of the Draft Red Herring Prospectus.

16. **The Company and its Director are party to certain litigations. These legal proceedings are pending at different levels of adjudication before various forums and regulatory authorities, which, if determined adversely, may impact our reputation and business operations.**

The Company and its Director are not involved in any legal proceedings except those specifically mentioned below. The details of such outstanding litigations as at the date of the Draft Red Herring Prospectus are as follows:

Types of proceedings	Number of cases	Total amount involved (₹ in lakhs)
Litigation involving our Company		
<i>Against our Company</i>		
Criminal proceedings	-	-
Action taken by statutory and regulatory authorities	-	-
Material civil litigation	-	-
Taxation cases	-	-
- Direct Tax	-	-
- Indirect Tax	-	-
Total	0	-
<i>By our Company</i>		
Material civil litigation	-	-
Criminal cases	9	143.03
Total	9	143.03
Litigation involving our Directors other than our Promoters		
<i>Against our Directors</i>		
Criminal proceedings	-	-
Action taken by statutory and regulatory authorities	-	-
Material civil litigation	-	-
Taxation cases	-	-
- Direct Tax	-	-
- Indirect Tax	-	-
Total	0	-
<i>By our Directors</i>		
Material civil litigation proceedings	-	-
Criminal cases	1	10.00
Total	1	10.00
Litigation involving our Promoters		
<i>Against our Promoters</i>		
Criminal proceedings	-	-
Disciplinary action taken against our Promoter in the five years preceding the date of this Prospectus by SEBI or any stock exchange	-	-
Action taken by statutory and regulatory authorities	-	-
Material civil litigation	-	-
Taxation cases	-	-

- Direct Tax	-	-
- Indirect Tax	-	-
Total	0	-
By our Promoters		
Criminal cases	-	-
Material civil litigation	-	-
Total	0	-
Litigation involving our Group Companies		
Against our Group Companies		
Criminal proceedings	-	-
Action taken by statutory and regulatory authorities	-	-
Material civil litigation	-	-
Taxation cases	-	-
- Direct Tax	-	-
- Indirect Tax	-	-
Total	0	-
By our Group Companies		
Material civil litigation	-	-
Criminal cases	1	1.23
Total	1	1.23
Litigation involving our KMP and SMP		
Against our KMP and SMP		
Criminal cases	-	-
Action taken by statutory and regulatory authorities	-	-
Total	0	-
By our KMP and SMP		
Criminal cases	-	-
Total	0	-

We may be required to devote management and financial resources to the prosecution of such legal proceedings. Should any new developments arise, including a change in Indian laws or rulings against us by the appellate courts or tribunals, we may face losses, and we may have to make further provisions in our financial statements, which could increase our expenses and liabilities. Decisions in such proceedings, adverse to our interests, may have a material adverse effect on our business, cash flows, financial condition, and results of operations. In addition, we cannot assure you that similar proceedings will not be initiated in the future. Any adverse order or direction in these cases by the concerned authorities may have an adverse effect on our reputation, brand, business, results of operations, and financial condition.

For further details, please refer to the chapter titled “*Outstanding Litigation and Material Developments*” beginning on page 364 of the Draft Red Herring Prospectus.

17. **Our capacity utilisation figures for Material Handling Equipment are based on internal management estimates and have not been independently verified, which may result in inaccurate disclosure of our operational performance and could adversely affect investment decisions.**

In the chapter titled “*Our Business*” beginning on page no. 134 of the Draft Red Herring Prospectus, we have disclosed capacity utilisation information for our Material Handling Equipment fleet, which is based on internal management estimates. This information has been derived from our internal systems and has not been independently verified, audited, or certified by our Statutory Auditors or any third party. These capacity utilisation figures are subject to inherent limitations, including potential errors in internal reporting systems, manual compilation processes, and estimation methodologies, which may not accurately reflect

the actual deployment status. Any material variance between the disclosed figures and actual performance could mislead investors in assessing our operational efficiency.

18. Absence of firm contractual commitments from our clients exposes us to uncertainties in revenue generation and may materially and adversely impact our business, financial condition, cash flows, and results of operations.

Our Company operates in a service-oriented industry that primarily depends on recurring rental income and trading of Material Handling Equipment. A significant portion of our client engagements is based on rental agreements or purchase orders that are often short-term in nature and do not guarantee long-term commitment of business. In many cases, these arrangements may be terminated or amended by the client at short notice and without any obligation to compensate us for loss of future business or equipment idle time.

Although we maintain ongoing relationships with several clients, some of our clients do not enter into binding agreements and even if they enter one, such agreements are not exclusive or long-duration agreements that obligate them to continue renting MHE or purchasing batteries and MHE from us for a defined term or quantity. Our clients have the flexibility to reduce or completely stop sourcing from us at any time based upon changes in their internal strategies, budget constraints, operational needs, or preference for alternate vendors post serving a notice of termination.

This lack of binding contractual assurance limits our visibility over future revenue streams and may hinder our ability to effectively plan our operations, manage inventory, and allocate resources. Further, certain clients may demand flexibility in pricing or terms on account of their non-committed status, leading to margin pressures. In the event of a slowdown in client demand or a shift in sourcing preference, we may experience a sharp drop in orders or rental renewals, which could adversely affect our profitability.

19. We have experienced significant growth in our PAT in the past and there is no assurance that we will be able to sustain such a rate of growth in the future.

Our business model is significantly dependent on our ability to successfully scale our services, drive revenue growth, and efficiently manage key operational processes. The reason being that we have purchased total of 1441 MHE's during the financial years 2022, 2023, 2024 and for the period ended December 31, 2024, which has improved our operational efficiency and revenue. We cannot guarantee that we will be able to grow our services and MHE fleet at the same pace. The table below gives details of the profit after tax based on Restated Financial Statements.

Particulars	For the period ended on December 31, 2024	For the Financial Year ended on		
		March 31, 2024	March 31, 2023	March 31, 2022
Total Income (Rs. in Lakhs)	12,948.81	13,023.19	8,618.74	4,767.18
PAT as a % of the Total Income	14.62	13.86	9.88	8.26

Our growth strategy is subject to and involves risks and difficulties, many of which are beyond our control and, accordingly, there can be no assurance that we will be able to implement our strategy or growth plans or complete them within the timelines. Further, we operate in a dynamic industry, and on account of changes in market conditions, other industry dynamics or changes and any other relevant factors, our growth strategy and plans may undergo changes or modifications, and such changes or modifications may be substantial, and may even include limiting or foregoing growth opportunities if the situation so demands.

For further details regarding the discussions and explanations of our results, please refer to “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” beginning on page no. 354 of the Draft Red Herring Prospectus.

20. **We do not own any of the premises from which we operate. Our business activities are carried out from lease and licensed properties, and any termination, non-renewal, or adverse change in the terms of such arrangements may materially impact our operations and financial condition.**

As of the date of the Draft Red Herring Prospectus, our Company does not own any of the properties used for our business operations, including our registered office and other commercial premises. These properties are occupied pursuant to lease or license arrangements, which are subject to specific tenures and renewal terms. Any non-renewal, early termination, or legal dispute related to these agreements may require us to vacate the premises on short notice.

There is no assurance that such agreements will be renewed upon expiry or that they will be renewed on commercially favourable terms. In the event that a licensor chooses to terminate the arrangement or not renew it, we would be required to identify, negotiate, and shift operations to alternate locations. This may not only involve higher costs due to market rent escalation but could also result in temporary business disruptions, logistical delays, and operational inefficiencies during the transition period. While our Company has not, in the past, experienced any early termination or abrupt non-renewal of lease or rental arrangements that had a material adverse impact on our business operations, any such event in the future, including arising from legal disputes or changes in the terms of occupancy, may require us to vacate the premises at short notice. This could disrupt our operations, incur relocation costs, and adversely affect our ability to service clients without interruption.

21. **Our success is dependent on our ability to attract, retain, and effectively manage a skilled workforce, and any attrition or failure to retain key employees could adversely affect our operations, financial performance, and business continuity.**

Our Company operates in a business segment that is highly dependent on technically skilled personnel, including equipment operators, engineers, operations and logistics staff, sales professionals, and maintenance technicians. The availability of trained manpower in the material handling equipment industry is limited and highly competitive, and we are required to consistently invest in recruitment, training, and retention strategies to meet our operational requirements across geographies.

Our continued success is significantly reliant on our ability to attract and retain experienced professionals who possess deep industry knowledge and technical expertise. Increased attrition or failure to retain such key personnel may result in disruptions in our operations, reduced service quality, higher training and onboarding costs, and potential delays in project execution, which could adversely impact our revenues and profitability. In addition, the migration of experienced professionals to competitors or attrition due to better remuneration packages in the industry may weaken our competitive positioning.

Our Company incurs significant employee-related expenses, including salaries, bonuses, provident fund contributions, and staff welfare costs etc. For the period ended December 31, 2024, and the Financial Years ended March 31, 2024, 2023, and 2022, our employee benefit expenses amounted to ₹5,660.33 lakhs, ₹5,425.84 lakhs, ₹3,467.95 lakhs and ₹1,800.11 lakhs, respectively, representing 43.71%, 41.66%, 40.24% and 37.76%, respectively, of our total income for the corresponding periods, as per our Restated Financial Statements.

For further details, please refer to the section titled “*Restated Financial Statements*” beginning on page 190 of the Draft Red Herring Prospectus.

There can be no assurance that we will be able to retain our skilled personnel or attract new employees with the requisite experience and technical expertise. Any inability to do so could have a material adverse effect on our business, operations, and financial performance.

22. Our Promoters have extended personal guarantees in connection with certain loan facilities availed by our Company, which may have an adverse effect on our business, operations, and financial condition in the event of any default or invocation.

Our Promoters have extended personal guarantees in connection with certain secured loan facilities availed by our Company from various financial institutions. As of the date of the Draft Red Herring Prospectus, such personal guarantees are in force for equipment loans, bank guarantees, letter of credit and cash credit obtained by the Company.

These personal guarantees are typically provided as collateral security to secure repayment obligations and facilitate the timely disbursement of funds to the Company. While these guarantees help in availing credit support, their invocation, whether due to any actual or alleged default or delay in repayment by the Company, may adversely affect the personal assets, financial standing, and reputation of our Promoters.

Further, any deterioration in the financial condition of our Promoters could impair their ability to provide such guarantees or financial support in the future. Any enforcement of such guarantees or adverse action against the Promoters could indirectly impact the Company's ability to raise further funds or sustain its banking relationships, which in turn could have a material adverse effect on our business operations, credit profile, and financial position.

For further details of the personal guarantees provided by our Promoters, please refer to the chapter titled **"Financial Indebtedness"** on page no. 328 of the Draft Red Herring Prospectus.

23. None of the executive directors of the Company has experience in a listed company, exposing the Company to various regulatory and functional risks.

As of the date of the Draft Red Herring Prospectus, none of the executive directors on our Board has prior experience in managing a listed company. Operating as a listed entity entails adherence to a broader set of regulatory, compliance, disclosure, and corporate governance requirements under the SEBI Listing Regulations, Companies Act, 2013, and other applicable laws, which differ from those applicable to private companies. This lack of experience with the regulatory and operational complexities unique to listed entities may impact our ability to effectively navigate the demands of listed company governance, compliance, and reporting. The absence of seasoned expertise in this area could pose challenges in meeting regulatory requirements, addressing shareholder expectations, and executing strategic decisions. While there can be no assurance that all risks associated with this lack of listed company experience will be completely mitigated, we believe that the collective experience of our Board, supported by our professional advisors, will assist us in achieving a smooth transition to a listed environment and maintaining compliance with all applicable laws and regulations.

24. We will continue to be controlled by our Promoters after the completion of the Issue, which will allow them to influence the outcome of matters submitted for approval by our shareholders.

As of the date of the Draft Red Herring Prospectus, our Promoters hold 99.99% of the issued and outstanding paid-up share capital of our Company. As a result, they will have the ability to influence matters requiring shareholders' approval, including the ability to appoint Directors to our Board and the right to approve significant actions at Board and at shareholders' meetings, including the issue of Equity Shares and dividend payments, business plans, mergers and acquisitions, any consolidation or joint venture arrangements, any amendment to our Memorandum of Association and Articles of Association, and any

other business decisions. We cannot assure you that our Promoters will not have conflicts of interest with other shareholders or with our Company. Any such conflict may adversely affect our ability to execute our business strategy or to operate our business. For further details regarding our shareholding, please refer to the chapter titled “*Capital Structure*” beginning on page 75 of the Draft Red Herring Prospectus.

25. **Within the parameters as mentioned in the chapter titled ‘*Objects of the Issue*’ beginning on page 86, our Company’s management will have flexibility in applying the proceeds of this Issue. The fund requirement and deployment mentioned in the Objects of this Issue have not been appraised by any bank or financial institution.**

We intend to use the net proceeds of the Fresh Issue for (i) the Purchase of material handling equipment and batteries, and (ii) general corporate purposes. We have not entered into any definitive agreements to utilize the net proceeds for the purchase of MHE & batteries relating to fleet expansion or for general corporate purposes. Whilst a monitoring agency will be appointed for monitoring the utilization of the Net Proceeds, the proposed utilization of the Net Proceeds is based on current conditions, internal management estimates, and is subject to changes in external circumstances or costs, or in other financial conditions, business, or strategy. 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.

26. **We are subject to strict performance and delivery standards by our clients, and any failure to meet such standards may lead to cancellation of orders and reputational harm, which could adversely impact our business, results of operations, and financial condition.**

Our clients expect the MHE we provide, whether on a rental or sale basis, to meet stringent performance specifications, including but not limited to operational efficiency, safety compliance, timely delivery, and consistent service quality. Failure to comply with client expectations or contractual performance requirements may lead to consequences such as the rejection of equipment, cancellation of ongoing or future orders, and claims for damages or replacements. In our rental arrangements, we may also be held responsible for equipment breakdowns or operator error, which could increase our service and maintenance liabilities or require unanticipated equipment replacement, all of which may adversely affect our profitability and cash flows. Any product failure, performance disruption, or delivery delay could expose us to significant claims or compensation obligations.

In addition to client claims, we may also be subject to third-party liability, particularly in cases where equipment failure results in personal injury or property damage at the client site. Although we maintain liability and property insurance policies to cover such events, there is no assurance that such coverage will be adequate or that claims, if any, will be honoured in full or in a timely manner. While no material client cancellations, litigations, or liability claims have been initiated against us in the last three Fiscals, and we believe we have maintained high service standards to date, we cannot assure you that such issues will not arise in the future. Any failure to comply with agreed performance standards or equipment-related expectations could have a material adverse effect on our reputation, business continuity, financial condition, and results of operations.

27. **We operate in a competitive market, and increased competition from domestic players may adversely impact our market share, pricing, and profitability.**

The material handling equipment rental and trading industry in India is competitive and characterized by a number of organized and unorganized players offering similar services. Our Company faces competition from various regional and national players who offer MHE rental and sales services at competitive rates and may be able to offer more attractive commercial terms, newer equipment, or better service arrangements.

Many of our competitors may operate at lower cost structures due to their localized presence or different business models, including ownership of manufacturing capabilities or longer-standing relationships with large industrial clients. As a result, we may face pricing pressure that could adversely affect our gross margins, client retention, and profitability. Further, as we expand our operations into new geographies, we may encounter well-established incumbents with deep market penetration, brand recognition, and greater access to skilled workforce or supplier networks.

Increased competition may also reduce our ability to retain existing clients or acquire new ones, especially in cases where clients prefer to consolidate their equipment needs with a single service provider offering broader geographical reach or bundled offerings. While we continue to invest in expanding our fleet, upgrading our technology systems, and maintaining high service standards to remain competitive, there can be no assurance that we will be able to successfully mitigate the risks associated with heightened domestic competition. Failure to do so could materially affect our business operations, financial condition, and results of operations.

28. We rely on third-party transport service providers for the delivery of our Material Handling Equipment, and any delay, cost escalation, or mishap during transit may adversely impact our business operations, client satisfaction, and financial condition.

Our business involves the transportation of heavy Material Handling Equipment, such as forklifts, reach trucks, and stackers, to various client locations across India. We do not own a dedicated transportation fleet and are therefore dependent on third-party logistics and transport service providers for the timely and safe delivery of our equipment. Any delay or disruption in transportation due to logistical issues, vendor inefficiencies, availability constraints, fuel price volatility, or regulatory restrictions may result in delayed deployment, contractual penalties, or cancellation of orders by our clients.

Additionally, fluctuations in freight costs or charges levied by third-party providers may increase our overall operating expenses and adversely affect our profit margins. Since some of our equipment and batteries are sensitive to handling and transit conditions, we are also exposed to risks such as theft, loss, damage, or accidents during transportation. Although there has been no material past instances or reported occurrences of delays, losses, or damages during transportation that have had a significant adverse impact on our operations or financial condition. Any such incidents may lead to service interruptions, an increase in maintenance or replacement costs, disputes with customers, and adverse publicity, all of which could have a material adverse effect on our results of operations, financial condition, and cash flows.

While we attempt to mitigate these risks through careful vendor selection, insurance coverage, and internal monitoring, we cannot assure that such events will not occur in the future or that they will not materially affect our business and reputation.

29. Our Statutory Auditor have included an ‘Emphasis of Matter’ in their report on our Restated Financial Statements regarding a change in the method of depreciation, which has materially impacted our reported profits and may affect comparability of our financial performance.

With effect from April 1, 2023, our Company has changed the method of depreciation for all classes of assets from the Written Down Value (“WDV”) method to the Straight-Line Method (“SLM”). This has been treated as a change in accounting estimate in accordance with Accounting Standard – 10 (Property, Plant and Equipment). As a result, for the Financial Year ended March 31, 2024, our depreciation expense decreased by Rs. 1,205.74 lakhs, profit on sale of machinery decreased by Rs. 1.17 lakhs, and our net profit increased by Rs. 1,204.57 lakhs.

While this does not constitute a qualification of the Statutory Auditor's opinion, this change has had a material impact on our reported profitability. The comparability of our financial results with prior years may therefore be limited, and there can be no assurance that similar changes in accounting estimates, if undertaken in the future, will not materially impact our reported results of operations, financial condition, or investor perception.

For further details, please refer to “**Restated Financial Statements**” beginning on page 190 of the Draft Red Herring Prospectus.

30. **We are susceptible to third-party liability claims that may subject us to substantial expenditure, thereby adversely affecting our reputation, and if the claim is successful, could require us to pay substantial amounts.**

We face the risk of loss resulting from, and the adverse publicity associated with, third-party liability lawsuits, whether or not such claims are valid. We may be subject to claims resulting from negligence by our operators or employees, or failure of any MHEs. Additionally, we may receive notices from our clients alleging sub-standard quality of our MHE, which could further complicate our legal challenges. Even unsuccessful liability claims would likely require us to incur substantial expenses on litigation, divert management's time, adversely affect our goodwill, and impair the marketability of our services. Disputes over non-conformity of the required and prescribed standard of MHE may require us to bear the expenses of replacing such equipment, which could affect our business, results of operations, cash flows, and financial condition. Further, our business is dependent on the trust our clients have in the quality of our MHE's. Any negative publicity regarding our Company, brand, or mishaps resulting from the use of our equipment, or any other unforeseen events could affect our reputation and our results from operations.

31. **Failure to manage our inventory could have an adverse effect on our sales, profitability, cash flow, and liquidity.**

Effective inventory management is critical to our business operations, particularly given our engagement in the rental of material handling equipment. Our ability to accurately forecast client demand and align procurement and stocking accordingly is essential to maintaining optimal inventory levels. Inaccuracies in demand forecasting may result in either overstocking or inventory shortages, both of which can negatively impact our financial and operational performance.

Overstocking leads to increased working capital requirements, higher storage costs, potential obsolescence, and reduced liquidity. Conversely, understocking may cause delays in meeting client requirements, lost sales opportunities, and reputational risk. Further, cancellations or delays in client orders or reductions in order volumes can result in unused or slow-moving inventory, adversely impacting revenue and margins. While we have implemented internal controls to improve inventory forecasting and monitoring, we cannot assure that these measures will completely mitigate the risks associated with inaccurate demand planning. Any inefficiencies in inventory procurement, planning, or utilization may lead to lower turnover ratios, strained cash flows, increased holding costs, and adverse effects on our profitability and financial condition.

32. **We depend on our senior management and other personnel with technical expertise, and if we are unable to recruit and retain qualified and skilled personnel, our business and our ability to operate or grow our business may be adversely affected.**

We are led by our Promoter & Directors, Mr. Sanjeev Kumar Watrana and Mr. Rajeev Kumar Watrana, they have over 14 years of experience in the industrial sector, respectively, and have been instrumental in the growth of our business. In addition, our Senior Management have significant experience in operations

and has contributed to the growth of our business. For further details, see “*Our Management*” beginning on page 163.

Our future performance would depend on the continued service of our Promoters, Senior Management, Key Managerial Personnel, persons with technical expertise, and the loss of any senior employee and the inability to find an adequate replacement may impair our relationship with key clients and our level of technical expertise, which may adversely affect our business, cash flows, financial condition, results of operations and prospects. While there has been no instance in the last three Fiscals where the resignation of any Senior Management or Key Managerial Personnel had an adverse impact on our business, results of operations, cash flows or financial conditions, there is no assurance that such instance will not arise in the future.

The market for qualified professionals is competitive and we may not continue to be successful in our efforts to attract and retain qualified people. Our success also depends, in part, on key client relationships forged by our senior management. If we were to lose these members of the senior management, we cannot assure you that we will be able to continue to maintain key client relationships or renew them, which could adversely affect our business, financial condition, results of operations and cash flows.

33. **Our insurance coverage may not be adequate to cover all potential losses arising from our operations, and any uninsured or underinsured losses may have a material adverse effect on our business, financial condition, cash flows, and results of operations.**

Our business involves the deployment and transportation of material handling equipment across various client locations and industries. We currently maintain contractor plant and machinery policy, vehicle insurance policies, employee health insurance, and accidental insurance. However, this coverage may not extend to all types of operational, accidental, or third-party risks to which our business is exposed.

As on the December 31, 2024, our insurance coverage extends to less than 50% of the total value of our tangible assets. Accordingly, a substantial portion of our tangible assets remains uninsured, exposing us to potential financial losses in the event of damage, loss, or other unforeseen events. During the financial year FY 2024-25, an isolated incident occurred on March 4, 2025, at the premises of our client Neogen Chemicals Limited, located at Plot Z/109, SEZ II, Dahej, Bharuch, Gujarat, involving a fire that resulted in damage to one of our Aisle Master Equipment units (Serial No. 73247). We had deployed this unit on a rental basis, and an insurance claim for Rs. 25.80 lakhs was filed with Go Digit General Insurance Limited under Policy No. D188632284. The claim is currently under process. There was no disruption to our business operations or any litigation arising from the incident. While there has been no major instance of insurance shortfall or loss due to uninsured events in the last three Fiscals that adversely impacted our business, we cannot assure that similar incidents will not occur in the future. Additionally, there is no certainty that adequate insurance coverage will be available on commercially acceptable terms.

For the details regarding the insurance obtained by our Company, please see the chapter titled “*Our Business*” beginning on page no. 134 of the DRHP.

34. **We are exposed to counterparty credit risk and any delay in receiving payments or non-receipt of payments may adversely impact our results of operations.**

Due to the nature of, and the inherent risks in arrangements with our clients, we are subject to counterparty credit risk and a significant delay in receiving large payments or non-receipt of large payments may adversely impact our results of operations. Our operations involve extending credit to our clients in respect of the sale or rent of our MHEs and consequently, we face the risk of the uncertainty regarding the receipt of these outstanding amounts. Typically, our credit period ranges from 7 days to 30 days. Further, macroeconomic conditions, such as a potential credit crisis in the Indian financial system, could also result

in financial difficulties for our clients, including limited access to the credit markets, insolvency or bankruptcy. Such conditions could cause our clients to delay payment, request modifications of their payment terms, or default on their payment obligations to us, all of which could increase our receivables. If our clients delay or default in making these payments, our profit margins and cash flows could be affected.

35. **We require certain approvals and licenses in the ordinary course of business and are required to comply with certain rules and regulations to operate our business, and the failure to obtain, retain, and renew such approvals and licenses in timely manner or comply with such rules and regulations or at all may affect our operations.**

We require several statutory and regulatory permits, licenses, and approvals to operate our business. We need to ensure compliance and complete necessary applications at appropriate stages of our business to continue our operations. There is no assurance that the relevant authorities will issue or renew these approvals or licenses in a timely manner, or at all. Any failure by our Company to comply with these requirements may result in the cancellation of such licenses, approvals, or registrations, which could adversely affect our operations and financial strength.

Further, many of our approvals are granted for fixed periods of time and need renewal from time to time. Although there have been no past instances of such adverse regulatory action on our Company in this regard, non-renewal of the said permits and licenses would adversely affect our Company's operations, thereby having a material adverse effect on our business, results of operations and financial condition. For further details, please see chapters titled "*Key Industry Regulations and Policies*" and "*Government and Other Regulatory Approvals*" at the beginning of pages 151 and 369 respectively of the Draft Red Herring Prospectus.

36. **We have experienced certain isolated delays in complying with our EPF obligations in the past, and any future non-compliance may result in penalties, adversely affecting our business and reputation.**

Our Company is generally compliant with applicable statutory and regulatory requirements, including employee-related contributions. However, there have been isolated instances of delay in depositing Provident Fund (PF) contributions in the past. These delays primarily arose due to the non-linking of certain employees' Aadhaar numbers with their Universal Account Numbers (UANs) on the EPFO portal. The Company deposited the applicable PF contributions for such employees in the subsequent month, along with arrears, once the UANs were successfully generated and linked.

Although such delays have not resulted in any material financial or operational impact till date of the Draft Red Herring Prospectus, any future delays or non-compliance may expose the Company to regulatory actions, financial penalties, and reputational risk, which could adversely affect our business operations, cash flows, and results of operations.

37. **We may be subject to unionization, strikes, work stoppages or increased labour costs, which could adversely affect our business and results of operations.**

Our business is labour-intensive, and the success of our operations depends on the availability of labour and maintaining a good relationship with our workforce. For details and categorisation of our employees, see "*Our Business- Human Resources*" on page 134. We do not have any formal policy for redressal of labour disputes. Although we have not experienced any major interruption to our operations as a result of labour disputes in the recent past, there can be no assurance that we will not experience any such disruption in the future as a result of disputes or disagreements with our work force, which may adversely affect our ability to continue our business operations.

We may also have to incur additional expenses to train and retain a skilled workforce. We are also subject to a number of stringent labour laws that protect the interests of our employees, including legislation that imposes financial obligations on employers upon retrenchment. There can be no assurance that we will not experience labour unrest in the future, which may delay or disrupt our operations. Any labour unrest, including labour disputes, strikes and lockouts, and industrial accidents, experienced by us could directly or indirectly prevent or hinder our normal operating activities and, if not resolved in a timely manner, could lead to disruptions in our operations. In the past three years, we have not experienced any labour disputes/strikes/lockouts/industrial accidents. In the event of any prolonged delay or disruption of our business, the results of operations and financial condition could be materially and adversely affected.

38. **Any fraud, theft, or embezzlement by our employees could adversely affect our reputation, results of operations, financial condition, and cash flows.**

Given the nature of our operations, which involve handling valuable equipment and batteries, we are inherently exposed to risks relating to employee misconduct, including fraud, theft, misappropriation, negligence, or embezzlement of inventory, funds, or data. Such acts could result in financial losses, operational disruption, reputational harm, and potential legal liabilities. Although to date, there have been no material instances of employee fraud or embezzlement reported, we cannot assure you that such incidents will not occur in the future. In particular, our rental and trading operations involve multiple touchpoints, including warehouses, on-site deployments, logistics chains, and third-party suppliers, all of which may be vulnerable to internal or external misconduct or collusion.

Any such incident could adversely affect our inventory integrity, disrupt service delivery to clients, or result in loss of proprietary or confidential data. Moreover, even isolated events of fraud or theft may lead to reputational damage, reduce client trust, and invite increased regulatory scrutiny. To mitigate such risks, we have implemented preventive measures including CCTV surveillance, deployment of security personnel, segregation of duties, employee background verification, routine inventory checks, and periodic audits. However, there can be no assurance that these safeguards will be effective in detecting or preventing all instances of misconduct or misappropriation. Any failure to prevent or detect fraudulent activities or material control lapses could have a material adverse impact on our reputation, financial condition, operational efficiency, and stakeholder confidence.

39. **Our Company has a limited operating history, which will make it difficult for investors to evaluate our historical performance or future prospects.**

Our Company has a limited operating history, making it challenging for investors to assess our historical performance or predict our future prospects accurately. Our Company was incorporated on November 19, 2019. Due to this relatively short period of experience, there is limited historical data available for evaluation, which increases the uncertainty regarding our business model, strategies, and potential for future success. As a result, Investors may find it difficult to make informed decisions about our financial stability and long-term viability. Additionally, our limited operating history may not adequately reflect the challenges and risks we may encounter as we continue to grow and expand our business. The limited track record makes it difficult to conduct a meaningful comparative analysis, which could affect investment decisions. For details related to the data for the net cash used in operating activities, please refer to “*Restated Financial Statements*” beginning on page 190 of the DRHP.

40. **We have not identified any alternate source of funding, and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule.**

The proposed fund requirement for our objects of the Issue is to be funded from the Issue Proceeds. We have not identified any alternate source of funding, and hence any failure or delay on our part to mobilize

the required resources or any shortfall in the Issue proceeds may delay the implementation schedule our growth prospectus. We, therefore, cannot assure that we would be able to execute our future plans/strategy within the given timeframe. For details, please refer to the Chapter titled “*Objects of the Issue*” beginning on page 86 of the Draft Red Herring Prospectus.

41. **The schedule of our estimated deployment of Net Proceeds is subject to inherent uncertainties.**

The fund requirement and deployment are based on internal management estimates and our Company’s current business plan and are subject to change in light of changes in external circumstances or costs, other financial conditions, business, or strategy. These estimates have not been appraised by any bank or financial institution. In view of the dynamic nature of the sector and specifically that of our business, we may have to revise our expenditure and fund requirements as a result of variations in cost estimates, exchange rate fluctuations, and external factors that may not be within the control of our management. This may entail rescheduling and revising the planned expenditures and fund requirements and increasing or decreasing expenditures for a particular purpose at the discretion of our management, within the objects.

For further details, refer to “*Objects of the Issue*” beginning on page 86.

42. **Our Promoters hold Equity Shares in our Company and are therefore interested in the Company’s performance in addition to their remuneration and reimbursement of expenses.**

Our Promoters, Mr. Rajeev Kumar Watrana and Mr. Sanjeev Kumar Watrana, who are also Directors and Key Managerial Personnel of our Company, are also interested in our Company, in addition to their remuneration or benefits and reimbursement of expenses, to the extent of their shareholding in our Company. For details, please refer to the chapter titled “*Capital Structure*” beginning on page no. 75 of the DRHP. They shall abide by the provisions of SEBI Listing Regulations and protect the interests of the Company. However, in case of any conflict of interest, they shall keep the interests of our Company first over their personal interest, we cannot assure you that they will exercise their rights as Shareholder to the benefit and best interest of our Company and may take or block actions with respect to our business which may conflict with the best interests of our Company or that of minority shareholders. For further information on the interest of our Promoters, Directors, and Key Managerial Personnel of our Company, other than reimbursement of expenses incurred or remuneration or benefits, please see the chapters titled “**Our Management**” and “**Our Promoter and Promoter Group**” beginning on pages 163 and 181, respectively.

43. **Failures or security breaches in our IT systems and infrastructure may disrupt our operations and affect our business, results of operations, financial condition, and cash flows.**

Our Company relies significantly on information technology (IT) systems and digital infrastructure for the efficient management of our business operations, including maintenance tracking of deployed Material Handling Equipment, inventory and logistics coordination, equipment servicing schedules, billing and invoicing processes, and internal employee data management. We utilize in-house software tools that enable our technicians, operators, and ground staff to raise real-time service tickets and communicate operational issues. These systems are essential to ensuring timely support and minimizing equipment downtime for our clients.

Any failure or malfunction of these systems, due to technical defects, network disruptions, software bugs, or infrastructure failures, could adversely affect our ability to provide uninterrupted rental services, dispatch equipment, or coordinate service responses, which may harm our reputation and client relationships. Additionally, like other organizations, we are exposed to cyber security threats, including unauthorized access, data theft, ransomware, and system compromise, which may result from internal vulnerabilities or external threats. A successful breach could lead to the loss, misuse, or compromise of

confidential business data, employee records, client information, or operational systems, resulting in potential liability, regulatory scrutiny, reputational damage, and financial loss. Though there have been no such past instances or reported events of material IT system failure, cybersecurity breach, or digital infrastructure disruption that have had a material adverse effect on our operations, there is no assurance that such measures will always be sufficient to prevent breaches or disruptions.

44. **Any non-compliance, default or regulatory action on any person or entity belonging to the Promoter Group could adversely affect our business reputation and operations.**

In case of imposition of any penalty for any default or non-compliance by any regulatory authority, on the persons or any entities belonging to our Promoter Group as mentioned in the chapter titled “***Our Promoters and Promoter Group***” beginning on page no. 181 could adversely affect our business operations and reputation. It is not necessary that the Company and Promoters are directly related to such defaults, yet this could have an adverse effect on the business and the reputation of the Company.

45. **We have certain contingent liabilities and commitments that if materialized, could adversely affect our financial condition.**

As of December 31, 2024, our contingent liabilities and commitments as disclosed in our Restated Financial Statements aggregated to Rs. 277.46 lakhs. A summary table of our contingent liabilities and commitments as of December 31, 2024, as disclosed in the Restated Financial Statements, is set forth below:

(₹ In Lakhs)

Particulars	As of December 31, 2024
I. Contingent Liabilities	
(a) claims against the company not acknowledged as debt;	-
(b) guarantees excluding financial guarantees; and	29.84
(c) other money for which the company is contingently liable	-
II. Commitments	
(a) estimated amount of contracts remaining to be executed on capital account and not provided for	195.75
(b) uncalled liability on shares and other investments partly paid	-
(c) other commitments - Letter of credit	51.87

For details, see “***Restated Financial Statements***” beginning on page 190, for more information. Any or all of these contingent liabilities and commitments may become actual liabilities. In the event that any of our contingent liabilities become non-contingent, our business, financial condition and results of operations may be adversely affected. Furthermore, there can be no assurance that we will not incur similar or increased levels of contingent liabilities in the current Financial Year or in the future.

46. **Our Company requires significant amounts of working capital for continued growth. Our inability to meet our working capital requirements may have an adverse effect on our results of operations.**

Our business is working capital-intensive and requires a significant amount of working capital for smooth functioning. We intend to continue growing by expanding our business operations. Large amount of reliance is placed on the borrowings. This may result in increase in the quantum of current assets, particularly trade receivables. The results of operations of our business are dependent on our ability to effectively manage our incremental working capital requirements. We estimate our revenue based on the forecast, demand, and requirements, and also on the client specifications. A liquidity crunch may also result

in increased working capital borrowings and, consequently, higher finance cost which will adversely impact our profitability. Our growing scale and expansion, if any, may result in increase in the quantum of working capital. Our inability to maintain sufficient cash flow, credit facility and other sourcing of funding, in a timely manner, or at all, to meet the requirement of working capital or pay out debts, could adversely affect our financial condition and result of our operations.

47. **While we currently have a low attrition rate, there is no assurance that we will be able to maintain it in the future.**

We currently experience a low rate of employee attrition, which has contributed to our operational stability, continuity of business knowledge, and reduced recruitment and training costs. However, there is no assurance that we will be able to maintain this low attrition rate in the future. Factors such as increased competition for talent, changes in employee expectations, industry trends, or changes in our internal work environment could impact our ability to retain skilled and experienced personnel.

The rate of attrition for our employees is as follows:

Particulars	As of December 31, 2024	As of March 31, 2024	As of March 31, 2023	As of March 31, 2022	Average Attrition Rate (in %)
Key Managerial Personnel	3	2	2	2	0.00%
Senior Managerial Personnel	7	6	5	5	0.00%
Skilled and Unskilled Employees	2765	2451	1523	1126	9.01%

As certified by the Statutory Auditor of our Company, M/s. PRASS and Associates LLP, vide certificate dated May 19, 2025, having UDIN: 25520266BMIOHZ5317.

Any future increase in attrition, especially among key or senior managerial personnel or highly skilled employees, could adversely affect our business operations, productivity, and financial performance.

48. **We have received customer complaints in the past pertaining to our services, and any failure to address such complaints effectively in the future may adversely affect our reputation, customer satisfaction, and business performance.**

In the ordinary course of business, our Company has received occasional customer complaints, primarily relating to delays in service delivery or issues with the deployed equipment. These complaints were promptly addressed and resolved through our internal service protocols. As of the date of the Draft Red Herring Prospectus, there are no material complaints, claims, or customer disputes that remain unresolved.

We have implemented a dedicated service response team and structured customer support processes to resolve complaints and improve service standards. However, we cannot assure you that we will not receive further complaints in the future or that we will be able to resolve all of them to the satisfaction of the customers. Any significant failure or delay in resolving such complaints could adversely impact our brand reputation, customer relationships, and financial results.

49. **We could be harmed by employee misconduct or errors that are difficult to detect, and any such incidences could adversely affect our financial condition, results of operations, and reputation.**

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and serious harm to our reputation. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions, which could adversely affect our business, financial condition, results of operations, and goodwill.

50. Inability to protect, strengthen, and enhance our existing reputation could adversely affect our business prospects and financial performance.

Our business reputation is critical to the success of our business. While we have been making consistent efforts to strengthen our image, various factors, some of which are beyond our control, are critical for maintaining and enhancing our reputation and if not managed properly, may negatively affect our brand and reputation. These include our ability to effectively manage the quality of our products, increase brand awareness among existing and potential clients, adapt our advertising and promotion efforts to emerging industry standards and protect the intellectual property related to our brand.

51. There can be no assurance that our Equity Shares will be listed or permitted to trade on NSE Emerge in a timely manner or at all, which may adversely affect investor confidence, liquidity, and the trading price of our Equity Shares.

While our Company has made an application for the listing of the Equity Shares on NSE Emerge and will take all necessary steps to comply with applicable listing and disclosure requirements, there can be no assurance that the listing and commencement of trading will occur within the expected timeframes or at all. Any delay in obtaining listing and trading approvals from the stock exchange may adversely affect investor confidence, restrict liquidity, and impact the marketability and valuation of our Equity Shares.

Further, any future suspension of trading or temporary closure of NSE Emerge due to regulatory action, technical failures, market volatility, or other unforeseen events may restrict or delay the ability of investors to buy or sell our Equity Shares. Such events could adversely affect the price discovery, liquidity, and perceived value of our Equity Shares and may result in losses to investors.

52. Any future issuance of equity shares by our Company may dilute your shareholding, and any sale of equity shares by our Promoters after the expiry of the statutory lock-in period may adversely affect the trading price of our Equity Shares.

We may, in the future, issue additional equity shares or securities convertible into equity shares to meet our capital requirements, including for growth, working capital, acquisitions, or other general corporate purposes. Any such future issuance may dilute your shareholding in our Company and could adversely affect the trading price of our Equity Shares.

Further, while our Promoters are currently subject to lock-in restrictions under the SEBI ICDR Regulations, upon expiry of the prescribed lock-in period, they may sell their Equity Shares in the market. Any such sale or the perception that such sales may occur could adversely affect the market price and liquidity of our Equity Shares.

53. Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.

Our Company has not declared and paid dividends in the past. Any dividends to be declared and paid in the future are required to be recommended by our Board of Directors and approved by our Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the

Companies Act. Our Company's ability to pay dividends in the future will depend on a number of internal and external factors, which, inter alia, include (i) profits earned by our Company, (ii) present and future capital requirements, (iii) overall financial position of our Company, (iv) uncertainty in economic conditions and (v) restrictive covenants. We cannot assure you that we will generate sufficient revenues to cover our operating expenses and, as such, pay dividends to our Shareholders in future consistent with our past practices, or at all. For details pertaining to our dividend policy, see the chapter "**Dividend Policy**" beginning on page 189.

54. **Our Company has not made provisions for any potential decline in the value of investments.**

This non-provisioning practice may pose significant risks to our Restated Financial Statements and investor perceptions. In the event of a substantial decrease in investment values, our financial position and profitability as presented in our Restated Financial Statements may be materially overstated. If we are required to recognize significant devaluations of investments of investors in the future, it could have a material adverse effect on our reported financial performance and financial position. This circumstance could lead to a sudden and significant reduction in our reported assets and profits, which may not be foreseen by investors relying on our Restated Financial Statements. This situation may also expose us to regulatory scrutiny and penalties for inadequate disclosure or potential non-compliance with accounting standards. Additionally, it could impact our ability to meet financial covenants in our lending agreements or affect our credit ratings. Potential investors should be aware that our Restated Financial Statements may not fully reflect the risk of investment value fluctuations, and future results could differ materially from those currently presented. This discrepancy between reported and actual financial position could lead to fluctuations in our stock price and potentially impact our ability to raise capital in the future.

55. **We have not independently verified the industry-related data in the Draft Red Herring Prospectus.**

We have not independently verified data from the industry and related data contained in the Draft Red Herring Prospectus and although we believe the sources mentioned in the report to be reliable, we cannot assure you that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regards to other countries. Therefore, discussions of matters relating to India, its economy or the industries in which we operate that is included herein are subject to the caveat that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete, inaccurate or unreliable. Due to incorrect or ineffective data 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 elsewhere and should not be unduly relied upon. Further, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

56. **Our operations are exposed to risks of accidents, equipment failure, or other unforeseen events, which may cause injury, loss of life, property damage, or business disruption, and could materially impact our results of operations and financial condition.**

Our business involves the deployment of heavy material handling equipment, which are operated across diverse industrial environments including warehouses, factories, and logistics hubs. These operational activities inherently carry risks related to mechanical failures, equipment malfunctions, fire hazards, operator errors, and accidents resulting in injury, loss of life, or damage to property.

While we undertake standard preventive maintenance through third-party service providers and conduct periodic safety checks, the risk of unexpected failure or accidents cannot be entirely ruled out. Additionally, factors such as labour disputes, equipment misuse by third-party operators, or external events such as natural disasters, floods, fires, or other force majeure events beyond our control may further exacerbate operational risks. Any such incidents may lead to legal claims, regulatory investigations, damage to our

reputation, or termination of client contracts. Prolonged disruption of operations due to equipment downtime, investigations, or site closures may result in loss of revenue, delays in rental deployment, or potential penalties under service level agreements.

SECTION IV - GENERAL INFORMATION

Note: The disclosures in the Chapter “General Information” beginning on page no. 64 of the Draft Red Herring Prospectus dated June 30, 2025, shall be updated/ replaced, as applicable, with the below mentioned disclosures in the Red Herring Prospectus and Prospectus:

BOOK RUNNING LEAD MANAGER

Oneview Corporate Advisors Private Limited

Address: The Summit Business Bay, 619 & 620, 6th Floor,
266/1-172, Gundavali, Andheri Kurla Road,
Andheri (East), Mumbai - 400 093

Tel: +91- 22- 6901 0381

Email: mbd@oneviewadvisors.com

Investor email investorgrievance@oneviewadvisors.com

Website: www.oneviewadvisors.com

Contact Person: Ms. Alka Mishra

SEBI Registration No: INM000011930

SECTION V - CAPITAL STRUCTURE

Note: The disclosures in the Chapter “Capital Structure” beginning on page no. 75 of the Draft Red Herring Prospectus dated June 30, 2025, shall be updated/ replaced, as applicable, with the below mentioned disclosures in the Red Herring Prospectus and Prospectus:

NOTES TO THE CAPITAL STRUCTURE

14. Shareholding of the Promoters and Promoter Group of our Company:

As on the date of the Draft Red Herring Prospectus, our Promoters, Mr. Rajeev Kumar Watrana, Mr. Sanjeev Kumar Watrana and Mrs. Neha Watrana, collectively hold **1,00,09,960** Equity Shares of our Company which is **99.99%** of our pre-issue paid-up capital.

A. Equity shareholding of the Promoters and Promoter Group:

The details of the holding of securities (including shares, warrants, convertible securities) of persons belonging to the category “Promoters and Promoter Group” are as under:

Sr No.	Name of the Shareholder	Pre-issue		Post-issue	
		No. of Equity Shares	% of pre-issue capital	No. of Equity Shares	% of post-issue capital
(I)	(II)	(III)	(IV)	(V)	(VI)
A)	Promoters				
1)	Rajeev Kumar Watrana	50,04,975	49.999	[●]	[●]
2)	Sanjeev Kumar Watrana	50,04,975	49.999	[●]	[●]
3)	Neha Watrana	10	Negligible*	[●]	[●]
	Sub Total (A)	1,00,09,960	99.99	[●]	[●]
B)	Promoter Group				
1)	Arti Watrana	10	Negligible*	[●]	[●]
2)	Anubhav Kumra	10	Negligible*	[●]	[●]
3)	Kiran Kumra	10	Negligible*	[●]	[●]
4)	Pankaj Bassi	10	Negligible*	[●]	[●]
	Sub Total (B)	40	Negligible*	[●]	[●]
	Total (A) + (B)	1,00,10,000	100%	[●]	[●]

*Less than 0.01%

B. Capital Build-up of our Promoter’s shareholding in the Company

Date of allotment /Transfer	No. of Equity Shares allotted	Face value (Rs.)	Issue price (Rs.)	Name of Issue	% of the paid-up capital	
					Pre-Issue	Post-Issue
Neha Watrana						
October 7, 2024	10	10	-	Transfer from Rajeev Kumar Watrana by way of gift	Negligible*	[●]

*Less than 0.01%

SECTION VI – PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

Note: The disclosures in the Chapter “Objects of the Issue” beginning on page no. 86 of the Draft Red Herring Prospectus dated June 30, 2025, shall be updated/added/replaced, as applicable, with the below-mentioned disclosures in the Red Herring Prospectus and Prospectus:

HISTORICAL COST OF ACQUISITION OF MATERIAL HANDLING EQUIPMENT

In line with our business strategy, our Company has consistently invested in expanding and upgrading its fleet of Material Handling Equipment to cater to the increasing and diverse demands of customers across industries. Set forth below are the details of the cost of acquisition incurred towards the purchase of MHE over the last three financial years and for the period ended December 31, 2024, along with the corresponding number of equipment purchased:

Financial Year / Period Ended	Number of Equipment Purchased	Amount (Rs. in Lakhs)
FY 2021-22	207	1,778.51
FY 2022-23	303	4,427.60
FY 2023-24	356	4,556.38
December 31, 2024	223	2,825.17

As certified by the Statutory Auditor of our Company, i.e., M/s. PRASS and Associates LLP vide certificate dated July 22, 2025, having UDIN: 25520266BMIOIS6946.

UTILIZATION OF NET PROCEEDS

Our Company proposes to utilise the net proceeds towards funding the objects of the Issue in the following manner:

(Rs. In Lakhs)

S. No.	Purpose	Amount to be funded from the Net Proceeds	Estimated Utilization of Net Proceeds in the FY 2025-26 (Rs. in Lakhs)	Estimated Utilization of Net Proceeds in the FY 2026-27 (Rs. in Lakhs)	No. of MHE & Batteries to be Purchased in the FY 2025-26	No. of MHE & Batteries to be Purchased in the FY 2026-27
1	Purchase of material handling equipment	8298.35	2766.12	5532.23	144	286
2.	Purchase of batteries	1669.02	667.61	1001.41	234	351
3.	General corporate purposes*	[●]	[●]	[●]	-	-

** The amount utilized for general corporate purposes shall not exceed 15% of the Net Proceeds of the Issue or Rs. 10 Crores, whichever is lower.*

OUR BUSINESS

Note: The disclosures in the Chapter “Our Business” beginning on page no. 134 of the Draft Red Herring Prospectus dated June 30, 2025, shall be updated/added/replaced, as applicable, with the below-mentioned disclosures in the Red Herring Prospectus and Prospectus:

OUR MANAGEMENT

We are led by a management team that has extensive industry experience. Our Promoters, Sanjeev Kumar Watrana, Rajeev Kumar Watrana, and Neha Watrana, who are also on the Board of our Company, have been instrumental in the growth of our business. Sanjeev Kumar Watrana and Rajeev Kumar Watrana have been associated with our Company since its incorporation, and Neha Watrana joined our Company as Non-Executive Director on September 30, 2024. Sanjeev Kumar Watrana and Rajeev Kumar Watrana ventured into the business of material handling equipment in the year 2011. Since then, they both have gained over 14 years of combined experience and expertise in this industry. For further details, please refer to “*Our Management*” beginning on page 163 of the Draft Red Herring Prospectus.

HISTORICAL COST OF ACQUISITION OF MATERIAL HANDLING EQUIPMENT

In line with our business strategy, our Company has consistently invested in expanding and upgrading its fleet of Material Handling Equipment to cater to the increasing and diverse demands of clients across industries. Set forth below are the details of the cost of acquisition incurred towards the purchase of MHE over the last three financial years and the period ended December 31, 2024, along with the corresponding number of equipment purchased:

Financial Year / Period Ended	Number of Equipment Purchased	Amount (Rs. in Lakhs)
FY 2021-22	207	1,778.51
FY 2022-23	303	4,427.60
FY 2023-24	356	4,556.38
December 31, 2024	223	2,825.17

As certified by the Statutory Auditor of our Company, i.e., M/s. PRASS and Associates LLP vide certificate dated July 22, 2025, having UDIN: 25520266BMIOIS6946.

OUR SUPPLIERS

The following table illustrates our purchases among our top five and top ten suppliers:

(Rs. in Lakhs)

Particulars	Period ended		For the Financial Year ended					
	December 31, 2024*		March 31, 2024		March 31, 2023		March 31, 2022	
	Amount	%	Amount	%	Amount	%	Amount	%
SUPPLIERS								
Top Five Suppliers	2,182.07	70.74 %	2,674.52	76.34%	2,201.65	90.70%	1,325.37	91.98%
Top Ten Suppliers	2,324.09	75.36%	2,779.68	79.36%	2,233.26	92.01%	1,337.25	92.81%

*Not annualised

Note: As certified by the Statutory Auditor of our Company, i.e., M/s. PRASS & Associates LLP vide certificate dated August 08, 2025, having UDIN: 25520266BMIOIY6775.

INDUSTRY-WISE REVENUE BREAK-UP

The following table illustrates our revenue breakdown based on the industry we serve:

Sr. No.	Nature of Industry	For the period/financial year ended							
		December 31, 2024		March 31, 2024		March 31, 2023		March 31, 2022	
		Amount of Sales (Rs. in Lakhs)	% of total sales	Amount of Sales (Rs. in Lakhs)	% of total sales	Amount of Sales (Rs. in Lakhs)	% of total sales	Amount of Sales (Rs. in Lakhs)	% of total sales
1	Logistics and Warehousing	3,262.26	25.24%	3,133.34	24.08%	2,394.19	27.80%	1,336.36	28.25%
2	Foods and Beverages	1,886.39	14.59%	1,739.15	13.37%	1,132.08	13.15%	467.56	9.89%
3	Tyres	1,837.39	14.22%	2,131.42	16.38%	921.64	10.70%	255.86	5.41%
4	Material Handling Equipment's	1,739.76	13.46%	2,048.12	15.74%	1,709.43	19.85%	1,377.36	29.12%
5	Solar	593.92	4.59%	554.45	4.26%	303.91	3.53%	130.89	2.77%
6	Electronics	562.49	4.35%	354.38	2.72%	76.61	0.89%	37.73	0.80%
7	Automobile	583.83	4.52%	539.05	4.14%	282.04	3.28%	35.35	0.75%
8	Metal	522.08	4.04%	610.27	4.69%	694.25	8.06%	458.79	9.70%
9	Chemicals	522.39	4.04%	359.68	2.76%	154.51	1.79%	52.66	1.11%
10	Tiles	81.72	0.63%	142.71	1.10%	223.37	2.59%	285.31	6.03%
11	Carbon Black	158.71	1.23%	188.97	1.45%	129.90	1.51%	78.58	1.66%
12	Tractor	70.54	0.55%	76.57	0.59%	77.32	0.90%	75.88	1.60%
13	Other Miscellaneous sectors	1,104.11	8.54%	1,133.51	8.71%	512.56	5.95%	137.58	2.91%
Total Sales		12,925.59	100.00%	13,011.62	100.00%	8,611.81	100.00%	4,729.91	100.00%

As certified by the Statutory Auditor of our Company, i.e., M/s. PRASS and Associates LLP vide certificate dated September 08, 2025, having UDIN: 25520266BMIOIQ5476.

OUR COMPETITIVE STRENGTHS

Quality Assurance of our Services

Quality Assurance of services offered is an integral part of our operations. We believe that service quality is an ongoing process of building and sustaining relationships with the clients. Safety and skills training are top priorities for our company. All ground staff, including equipment operators and personnel, are mandatorily required to undergo structured training programs upon joining. These induction training sessions are conducted by our in-house training team, focusing on equipment handling, safety protocols, maintenance standards, and site-specific operational procedures. As part of our commitment to quality, environment and occupational safety, our Company has also obtained the following ISO certifications from LMS Assessments Limited for rental and AMC of Material Handling Equipment: ISO 9001:2015 (Quality Management System), ISO 14001:2015 (Environment Management System), and ISO 45001:2018 (Occupational Health & Safety Management System). Additionally, periodic and need-based refresher training is also imparted to ensure our staff remain aligned with evolving operational standards and client expectations. This helps reinforce technical skills, safety awareness, and efficiency in service execution. We believe that this structured and ongoing training framework directly enhances the quality of services we offer under our rental solutions, ensuring reliable performance, minimal downtime, and consistent client satisfaction.

Skilled workforce

As of April 30, 2025, we employ around 3,122 personnel, including operators, technicians, engineers, site supervisors, and support staff. Our workforce is a key asset in delivering consistent and high-quality service to our clients across India. We prioritize hiring individuals with relevant technical expertise and industry knowledge, and we supplement this with our training programs that are designed to not only meet industry standards but also exceed them, ensuring that employees are equipped to handle equipment and client requirements. All employee trainings are conducted internally within the Company with no engagement of external trainers, making it cost-free. We offer continuous learning and upskilling opportunities, fostering a culture of growth, innovation, and safety. Our emphasis on retaining a skilled workforce also enhances client satisfaction and operational efficiency, enable us to consistently deliver quality service.

OUR BUSINESS STRATEGY

Strengthen our presence and grow in new geographies

We constantly seek to enhance our addressable markets with our rental service model. In the year 2022, we were operational across 20 states in India, and as of 2024, we have expanded our presence to 24 states. We plan to continue leveraging our market presence and service capabilities to attract and retain clients across new regions. We are now focused on expanding into Northeast India, where infrastructure development is gaining momentum and presents significant opportunities aligned with our business model. To support this expansion, we are evaluating potential locations and strengthening logistics and deployment strategies in these new regions.

OUR BUSINESS OPERATION

8. Pre-Delivery Technical Checks and Site Installation

Before dispatch and deployment of MHE to the client site, a detailed Pre-Delivery Inspection (PDI) and installation process is carried out by the Company's technical team. This includes systematic checks of over 70 plus components and performance parameters such as hydraulic systems, electrical systems, lighting, brake conditions, gear oil, steering mechanisms, sensors, mast assembly, and overall machine condition. These checks are conducted in accordance with a standardised format and documented in an internal PDI/Installation Report.

The Company ensures that any deficiencies identified during this process are rectified prior to dispatch. Once deployed, the equipment is re-verified at the client premises by the installation engineer to ensure it is fit for use and aligned with the site-specific operational requirements. This process is aimed at ensuring safety, reducing the likelihood of breakdowns, and maintaining consistent service quality.

15. Maintenance & Upkeep

A preventive maintenance schedule is followed rigorously to reduce breakdowns and ensure smooth operations. The team also performs periodic inspections of safety systems such as warning lights, reverse cameras, and alarms, ensuring full compliance with safety standards. We rely on third-party service providers for the maintenance and servicing of our Material Handling Equipment fleet. These vendors are engaged for preventive maintenance, repair, breakdown support, and basic reconditioning activities in relation to the equipment. Our reliance on such external vendors allows us to operate with operational flexibility and optimise service costs. However, it also exposes us to certain dependencies, including vendor availability, service turnaround time, and technical quality. The performance of these vendors is critical to ensuring the uptime, safety, and reliability of our MHE assets across various client locations.

CAPACITY AND CAPACITY UTILISATION

Our business model primarily involves the deployment of Material Handling Equipment on a rental basis to industrial clients across diverse sectors. The effectiveness of our operations is reflected in our capacity utilisation, which is measured by the proportion of our total fleet of MHE that is deployed on-site for rental purposes.

The following table sets forth our capacity utilisation based on the number of equipment deployed for the respective periods:

Financial Year / Period Ended	Total Number of Equipment (Cumulative)	Equipment Deployed on Site	Capacity Utilization (%)
FY 2021-22	430	387	90%
FY 2022-23	733	660	90%
FY 2023-24	1,089	980	90%
December 31, 2024	1,312	1,181	90%

The average idle fleet across these periods has been approximately 10%, which is primarily attributable to transition periods between contracts, routine maintenance and servicing, and temporary equipment holding for client-specific deployment planning. Our consistent capacity utilisation reflects operational efficiency and continued demand for our equipment fleet across geographies and industry sectors. Please refer the chapter titled Risk Factor.

IMMOVABLE PROPERTY

The following table sets forth the location and other details of the properties of our Company:

Sr. No.	Tenure/Term	Name of the Seller/ Lessor/Lessor/ Lessee/ Licensee	Licensed/ Leased/ Owned/ Franchisee	Location of the Property	Rent per month (In Rs.)	Purpose	Related Party (Yes/No)
1.	Dec 01, 2023, to Nov 30, 2028	Licensor– M/s Watrana Traction Pvt. Ltd. Licensee– M/s Watrana Rentals Pvt. Ltd.	Licensed	G-004 Site-V, Kasna Industrial Area, Greater Noida, Gautam Budh Nagar-201306, Uttar Pradesh.	Rs. 25,000/-	For commercial purposes (Office)	Yes
2.	Dec 01, 2023, to Nov 30, 2028	Licensor– M/s Watrana Traction Pvt. Ltd. Licensee– M/s Watrana Rentals Pvt. Ltd.	Licensed	G-003 Site-V, Kasna Industrial Area, Greater Noida, Gautam Budh Nagar-201306, Uttar Pradesh.	Rs. 25,000/-	For commercial purposes (Warehouse and Office)	Yes

3.	Jan 01, 2025, to Jan 01, 2030	Licensor– Watrana Traction Company Licensee– M/s Watrana Rentals Ltd.	Licensed	H-9, Site-V, UPSIDC Industrial Area, Greater Noida- 201306, U.P.	Rs. 50,000/-	For commercial purposes (Warehouse and Office)	Yes
4.	Dec 24, 2024, to Dec 23, 2027	Lessor – Satwant Singh and Pradeep Kumar Chhabra Lessee – M/s Watrana Rentals Ltd.	Leased	B-2, Third Floor, Derawal Nagar, Near Model Town Metro Station, Gujranwala Colony, North West Delhi, Delhi, Delhi, India, 110009	Rent for First year; Rs. 1,25,000/- Second year; Rs. 1,31,250/- Third year; Rs. 1,37,813	For commercial purposes (Registered Office)	No

Note: All lease and license agreements executed by the Company for the afore-mentioned properties have been duly stamped. The lease deed pertaining to the Registered Office has been duly registered with the relevant sub-registrar and all other agreements are for a term of 11 months and hence, not required to be registered in accordance with applicable law.

INSURANCE

We maintain insurance coverage under various insurance policies, including Contractor's Plant and Machinery Policies, vehicle insurance policies, employee health insurance, and accidental insurance. The table below sets forth details in connection with the insurance coverage of our Company on our tangible assets as of the period ending on December 31, 2024:

(Rs. In Lakhs)

Particulars	As of December 31, 2024
Insurance obtained	4,471.86
Tangible assets*	12,711.58
Percentage of insurance coverage	35.18%

As certified by the Statutory Auditor of our Company, i.e., M/s. PRASS and Associates LLP vide certificate dated May 19, 2025, having UDIN: 25520266BM10HM6576.

*Net Book Value of Tangible assets – plant & machinery having a useful life of 15 years were considered for the purpose of this certificate of the Company as at the end of the relevant period.

There has been only one instance of a reported incident in Fiscal 2025, for which an insurance claim of Rs. 25.80 lakhs has been filed and is currently under process. There has been no instance of any insurance claim exceeding the insurance coverage limits during the past three years.

For further details regarding risk associated, please refer, *“Risk Factor no. 33 - Our insurance coverage may not be adequate to cover all potential losses arising from our operations, and any uninsured or underinsured losses may have a material adverse effect on our business, financial condition, cash flows, and results of operations.”* on page 45.

OUR MANAGEMENT

Note: The disclosures in the Chapter “Our Management” beginning on page no. 163 of the Draft Red Herring Prospectus dated June 30, 2025, shall be updated/ replaced, as applicable, with the below mentioned disclosures in the Red Herring Prospectus and Prospectus:

BRIEF PROFILE OF THE DIRECTORS OF OUR COMPANY

Neha Watrana

Mrs. Neha Watrana is the Non-Executive Director and Promoter of our Company. She has been associated with the Company since September 30, 2024. She holds a Bachelor of Commerce degree from Delhi University, which she completed in the year in 2002. In addition to her academic background in commerce, she pursued a diploma in advertising, public relations & business studies (one year) from South Delhi Polytechnic for Women, completed in 2003. She leverages her academic background to offer valuable perspectives in areas such as branding, corporate communication, and business development of Company. She also holds the position of Public Relations Manager at Watrana Traction Company, a partnership firm, since February 1, 2011. She has an experience of more than 14 years.

INTEREST OF DIRECTORS

Interest in the promotion of our Company

Except, Sanjeev Kumar Watrana, Rajeev Kumar Watrana, and Neha Watrana, none of our Directors have any interest in the promotion or formation of our Company other than in the ordinary course of business as on the date of the Draft Red Herring Prospectus.

OUR PROMOTERS & PROMOTER GROUP

Note: The disclosures in the Chapter “Our Promoters & Promoter Group” beginning on page no. 181 of the Draft Red Herring Prospectus dated June 30, 2025, shall be updated/ replaced, as applicable, with the below mentioned disclosures in the Red Herring Prospectus and Prospectus:

OUR PROMOTERS

The Promoters of our Company are Mr. Rajeev Kumar Watrana, Mr. Sanjeev Kumar Watrana, and Mrs. Neha Watrana.

As on the date of the Draft Red Herring Prospectus, the Promoters hold 1,00,09,960 Equity Shares of our Company, representing 99.99% of the pre-issue paid-up equity share capital of our Company. For details of the build-up of the Promoter’s shareholding in our Company, see **“Capital Structure – Capital Build-up of our Promoters shareholding in the Company”** beginning on page 75 of the Draft Red Herring Prospectus.

DETAILS OF OUR PROMOTERS

3. Mrs. Neha Watrana



Our Promoter, Ms. Neha Watrana, aged 43 years, serves as the Non-Executive Director on our Board. For the complete profile of Neha Watrana, along with details of her date of birth, personal address, educational qualifications, professional experience, position/posts held in the past, directorships held, business and financial activities, other directorships, other ventures, and special achievements, please refer to the chapter titled **“Our Management”** beginning on page 163 of the Draft Red Herring Prospectus.

Her PAN is ABEPW2964J

As on the date of the Draft Red Herring Prospectus, Ms. Neha Watrana holds 10 Equity Shares, representing less than 0.01% of the pre-issued, subscribed, and paid-up equity share capital of our Company.

CHANGE IN THE MANAGEMENT AND CONTROL OF OUR COMPANY

Mr. Rajeev Kumar Watrana and Mr. Sanjeev Kumar Watrana are the original Promoters of our Company. Further, Ms. Neha Watrana has been identified and classified as a promoter of our Company.

OUR PROMOTER GROUP

In addition to the Promoters named above, the following natural persons are part of our Promoter Group:

1. Natural Persons who are part of the Promoter Group

As per Regulation 2(1)(pp)(ii) of the SEBI ICDR Regulations, the natural persons who are part of the Promoter Group (due to their relationship with the Promoters) are as follows:

Name of the Promoter	Name of the relative	Relationship with Promoter
Mrs. Neha Watrana	Late Anil Kumra	Father
	Kiran Kumra	Mother
	Rajeev Kumar Watrana	Husband
	Anubhav Kumra	Brother

	-	Sister
	Shreyansh Watrana	Son
	Saanvi Watrana	Daughter
	Late Jagdish Kumar Watrana	Spouse's Father
	Late Chander Prabha Watrana	Spouse's Mother
	Sanjeev Kumar Watrana	Spouse's Brother
	-	Spouse's Sister

OUR GROUP COMPANIES

Note: The disclosures in the Chapter “Our Group Companies” beginning on page no. 185 of the Draft Red Herring Prospectus dated June 30, 2025, shall be updated, as applicable, with the below mentioned disclosures in the Red Herring Prospectus and Prospectus:

CONFIRMATION AND DISCLOSURES BY OUR GROUP COMPANIES

2. Our Group Companies has not completed any public or rights issue (as defined under the SEBI ICDR Regulations) in the preceding three years. The Group Companies continue to operate as privately held entities and have not undertaken any listing of their equity shares or other securities on any stock exchange.

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

Note: The disclosures in the Chapter “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” beginning on page no. 354 of the Draft Red Herring Prospectus dated June 30, 2025, shall be updated/ replaced, as applicable, with the below mentioned disclosures in the Red Herring Prospectus and Prospectus:

OVERVIEW OF REVENUE AND EXPENSES

Financial performance highlights for the period ended December 31, 2024

Revenue from Operations:

Revenue from operations for the period ended December 31, 2024 stood at ₹ 12,925.59 Lakhs. The proportionate increase in revenue during this period was primarily driven by higher income from equipment rental services (hiring income) as well as improved sales from trading of goods. The growth in hiring income was attributable to the Company's focus on expanding its rental equipment services and on account of increased demand from customers. The number of equipment increased from 1089 units as of March 31, 2024 to 1,312 units as of December 31, 2024 which also contributed to a proportionate rise in other operating revenue such as Freight and Manpower Charges. In addition, the sale of trading of goods witnessed higher demand for equipment supporting the overall revenue growth. As a result of these factors both customer base and equipment count recorded an upward trend, thereby strengthening the Company’s operational performance as stated in the table below:

(Amount in Lakhs Except Customers and Equipment's)

Particulars	For the Period ended December 31, 2024	For the year ended March 31, 2024
Sale of Products		
- Sale of Trading of Goods	497.75	452.93
Sale of Services		
- Hiring Income	11,985.65	12,029.12
Other Operating Revenue		
- Freight and Manpower Charges	434.79	529.57
Number of Customers	458	444
Number of Material Handling Equipment	1312	1089

Restated Profit/ (Loss) after tax:

Restated Profit/ (Loss) after tax for the period ended December 31, 2024 stood at ₹ 1,892.60 Lakhs. The improvement in PAT margins can be attributed to the following factors:

- Proportionate increase in revenue from operation due to higher customer demand, with the customer base increasing to 458 during period ended December 31, 2024 from 444 in financial year ended March 31, 2024.
- Increase in other income which rose from Rs 11.57 Lakhs in Financial year March 31, 2024 to Rs 23.22 Lakhs in period ended December 31, 2024.

- Finance cost decreased from Rs 649.42 Lakhs in financial year March 31, 2024 to Rs 585.38 during period ended December 31, 2024 mainly on account of decrease in Interest on borrowings.

- Improvement in operating margin driven by a reduction in direct operating expenses such as equipment hiring cost. With the increase in the numbers of owned equipment from 1089 units in financial year March 31, 2024 to 1312 units in period ended December 31, 2024, the Company reduced its reliance on hired equipment. Consequently, direct operating expenses on equipment declined to 21.36% of revenue from operations during the period ended December 31, 2024 as against 24.06% in financial year March 31, 2024 resulting in an improved operating margin.

Comparison of Financial Year 2024 with Financial Year 2023

Revenue from Operations:

During the financial year ended March 31, 2024 our Company achieved revenue from operations of ₹ 13,011.62 Lakhs as compared to ₹ 8,611.81 Lakhs in the preceding financial year ended March 31, 2023 representing a year-on-year growth of 51.09 %.

This increase in revenue in financial year March 31, 2024 as compared to financial year March 31, 2023 was primarily driven by higher hiring income, supported by rise in demand for material handling equipment rental services, which led to an expansion in the number of equipment from 733 units in financial year March 31, 2023 to 1089 units in financial year March 31, 2024. In addition, revenue from the sale of trading of goods also improved on account of higher demand. Together, these factors contributed to the overall growth in operational revenue as stated in the table below:

(Amount in Lakhs Except Customers and Equipment's)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of Products		
- Sale of Trading of Goods	452.93	86.24
Sale of Services		
- Hiring Income	12,029.12	7,981.22
Number of Customers	444	403
Number of Material Handling Equipment	1089	733

Depreciation and Amortization Expenses:

Depreciation and amortization expense for the financial year ended March 31, 2024 was ₹ 742.66 Lakhs as compared to ₹ 1,078.68 Lakhs in the financial year ended March 31, 2023, representing a decrease of 31.15 %. The decline in depreciation expense was primarily attributable to a change in the method of computation from the Written Down Value (WDV) method to the Straight-Line Method (SLM) in accordance with Accounting Standard 10 - Property Plant and Equipment.

The change in to the Straight-Line Method was undertaken by the Company to align its depreciation method with industry standards or peer benchmarks. Straight-Line Method also provides a consistent and predictable allocation of depreciation expense over the useful life of assets, which is more appropriate given the regular maintenance and the nature of machines deployed in business operations of the company.

Restated Profit/ (Loss) after tax:

The Company reported a restated profit after tax of ₹ 1,805.03 Lakhs for the financial year ended March 31, 2024 as compared to ₹ 851.70 Lakhs for the financial year ended March 31, 2023. The increase in the profit after tax was attributable to the following factors:

- Increase in revenue from operations from Rs 8,611.81 Lakhs in financial year March 31, 2023 to Rs 13,011.62 Lakhs in financial year March 31, 2024 was primarily on account of higher customer demand, with the customer base increasing to 444 in financial year March 31, 2024 from 403 in financial year March 31, 2023.

-Improvement in operating margin was on account of reduction in direct operating expenses, such as hiring expense as the Company expanded its owned equipment base. The numbers of equipment owned by Company increased from 733 units in financial year March 31, 2023 to 1089 units in financial year ended March 31, 2024, thereby reducing reliance on hired equipment. Consequently, direct operating expenses on equipment decreased to 24.06% of revenue from operations in financial year March 31, 2024 as against 27.29% in financial year March 31, 2023 resulting to improved operating margin.

- Change in the method of Depreciation from Written Down Value (“WDV”) to Straight Line Method (“SLM”), in order to align with industry practices and provide a more consistent and predictable charge over the useful life of assets, considering regular maintenance and the nature of machinery deployed in the Company’s operations.

- Capitalization of battery purchases expenses which earlier treated as revenue expenditure has now been reclassified as capital expenditure. The management expects this change in method will yield better economic benefit to company in the future by aligning the costs with the useful life of the assets.

Comparison of Financial Year 2023 with Financial Year 2022

Revenue from Operations:

Revenue from Operations for the financial year ended March 31, 2023 stood at ₹ 8,611.81 Lakhs as compared to ₹ 4,729.91 Lakhs for the financial year ended March 31, 2022 reflecting a significant year-on-year growth of 82.07%. This growth was primarily driven by a sharp rise in hiring income, reflecting the Company’s focus on expanding its equipment rental services, supported by increased demand following the gradual recovery from the COVID-19 second wave.

The customer base of the Company increased from 253 in financial year March 31, 2022 to 403 in financial year March 31, 2023 accompanied by an increase in the number of equipment from 430 units in financial year March 31, 2022 to 733 units in financial year March 31, 2023. The expansion of equipment also contributed to higher other operating revenues. In addition, revenue from the sale of trading of goods improved in line with the rising demand.

(Amount in Lakhs Except Customers and Equipment’s)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Sale of Products		
- Sale of Trading of Goods	86.24	62.33
Sale of Services		
- Hiring Income	7,981.22	4,520.71
Other operating revenue		
- Freight and Manpower Charges	544.35	146.87
Number of Customers	403	253

Number of Material Handling Equipment	733	430
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ASSETS AND LIABILITIES

Comparison for the period ended December 31, 2024 with Financial Year ended March 31, 2024

Long Term Borrowings

Long-term borrowing as of December 31, 2024 stood at ₹ 5,623.18 Lakhs, compared to ₹ 5,294.15 Lakhs as of March 31, 2024 reflecting an increase of 6.21 %. This increase was primarily attributable to the purchase of material handling equipment to support business expansion in response to higher customer demand.

Short Term Borrowings

Short-term borrowing as of December 31, 2024 stood at ₹ 4,887.85 Lakhs, compared to ₹ 4,017.94 Lakhs as of March 31, 2024 reflecting an increase of 21.65 %. This increase was primarily attributed to higher bank overdraft requirements to meet working capital needs, additional loan availed from related parties and increase in current maturities of long-term borrowings.

Trade Payables

Trade payable as of December 31, 2024 stood at ₹ 564.31 Lakhs, compared to ₹ 713.35 Lakhs as of March 31, 2024 reflecting decrease of 20.89 %. This reduction in trade payable was primarily due to payments made to creditors through the utilisation of cash credit (CC) limit.

Trade Receivables

Trade Receivable as at December 31, 2024 stood at ₹ 2,609.70 Lakhs, compared to ₹ 2,906.74 Lakhs as at March 31, 2024 reflecting decrease of 10.22 %. This reduction in trade receivable was primarily due to improved collection and receipt of payment from customers.

Inventory

Inventory as of December 31, 2024 stood at ₹ 85.69 Lakhs, compared to ₹ Nil as of March 31, 2024. This increase was on account of trading goods stock held as at December 31, 2024.

Long term Loans and Advances

Long term loans and advances as of December 31, 2024 stood at ₹ 4.97 Lakhs, compared to ₹ 16.16 Lakhs as of March 31, 2024. reflecting decrease of 69.25%. The reduction was primarily due to lower advance payment made against pending capital orders.

Short term Loans and Advances

Short term loans and advances as of December 31, 2024 stood at ₹ 106.31 Lakhs, compared to ₹ 73.40 Lakhs as of March 31, 2024. reflecting an increase of 44.84%. This increase was primarily on account of higher prepaid expenses, advances against goods/services and balance recoverable from revenue authorities.

Comparison of Financial Year 2024 with Financial Year 2023

Long Term Borrowings

Long-term Borrowing as of March 31,2024 stood at ₹ 5,294.15 Lakhs, compared to ₹ 3,164.36 Lakhs as of March 31,2023 reflecting an increase of 67.31 %. This increase was primarily on account of borrowings availed for the purchase of Material Handling Equipment to support business expansion in line with higher customer demand.

Short Term Borrowings

Short-term Borrowing as of March 31,2024 stood at ₹ 4,017.94 Lakhs, compared to ₹ 3,585.86 Lakhs as of March 31,2023 reflecting an increase of 12.05 %. This increase was primarily on account of higher bank overdraft on to meet working capital needs, additional loan availed from related parties and an increase in current maturities of long-term borrowings.

Trade Payables

Trade payable as of March 31,2024 stood at ₹ 713.35 Lakhs, compared to ₹ 378.25 Lakhs as of March 31,2023 reflecting an increase of 88.59 %. This rise in Trade payable was primarily because of higher purchases made during the year.

Trade Receivables

Trade Receivable as of March 31,2024 stood at ₹ 2,906.74 Lakhs, compared to ₹ 2,264.80 Lakhs as of March 31,2023 reflecting an increase of 28.34%. This increase was primarily attributable to higher demand for renting of material handling equipment during the year, which resulted in increased revenue from operations as compared to previous year.

Long term Loans and Advances

Long term loans and advances as of March 31,2024 stood at ₹ 16.16 Lakhs, compared to ₹ 1.00 Lakhs as of March 31,2023. reflecting an increase of 1516%. The increase was primarily on account of higher advance payment made against pending capital orders.

Short term Loans and Advances

Short term loans and advances as of March 31,2024 stood at ₹ 73.40 Lakhs, compared to ₹ 92.28 Lakhs as of March 31,2023. reflecting decrease of 20.46 % This reduction was primarily due to lower prepaid expenses, decrease in advances related to site expenses and lower balances recoverable from revenue authorities.

Comparison of Financial Year 2023 with Financial Year 2022

Long Term Borrowings

Long-term Borrowing as of March 31, 2023 stood at ₹ 3,164.36 Lakhs, compared to ₹ 1,363.47 Lakhs as of March 31, 2022 reflecting an increase of 132.08 %. This increase was primarily due to borrowings availed for the purchase of material handling equipment to support business expansion in response to higher customer demand.

Short Term Borrowings

Short-term Borrowing as of March 31,2023 stood at ₹ 3,585.86 Lakhs, compared to ₹ 1,911.74 Lakhs as of March 31,2022 reflecting an increase of 87.57 %. This increase was primarily on account of higher bank overdraft requirement to meet the working capital needs, additional loan availed from related parties and an increase in current maturities of long-term borrowings.

Trade Payables

Trade payable as of March 31,2023 stood at ₹ 378.25 Lakhs, compared to ₹ 747.39 Lakhs as of March 31,2022 reflecting decrease of 49.39 %. This reduction was primarily on account of payment made to creditors through utilisation of the cash credit (CC) limit.

Trade Receivables

Trade Receivable as of March 31,2023 stood at ₹ 2,264.80 Lakhs, compared to ₹ 1,320.36 Lakhs as of March 31,2022 reflecting an increase of 71.53%. This increase was primarily attributable to higher demand for renting of material handling equipment during the year, which resulted in increased revenue from operations as compared to previous year.

Long term Loans and Advances

Long term loans and advances as of March 31,2023 stood at ₹ 1.00 Lakhs, compared to ₹ 11.63 Lakhs as of March 31,2022. reflecting decrease of 91.40%. Due to less advance payment made against pending capital orders.

Short term Loans and Advances

Short term loans and advances as of March 31,2023 stood at ₹ 92.28 Lakhs, compared to ₹ 279.95 Lakhs as of March 31,2022. reflecting decrease of 67.04 % This reduction was primarily due to lower prepaid expenses, a decrease in advances against goods/services and lower balances with recoverable from revenue authorities.

DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines, or regulations issued by the Government of India or the rules, or 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 is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or the rules made or the guidelines or regulations issued thereunder, as the case may be. We further certify that all the statements made in this Addendum are true and correct.

Signed by all Directors of the Company

Name and Designation	Signature
Sanjeev Kumar Watrana <i>Managing Director</i> DIN: 00469329	Sd/-
Rajeev Kumar Watrana <i>Whole-Time Director</i> DIN: 00469243	Sd/-
Neha Watrana <i>Non-Executive Director</i> DIN: 10783673	Sd/-
Amit Bansal <i>Independent Director</i> DIN: 03076661	Sd/-
Rajesh Sharma <i>Independent Director</i> DIN: 07271431	Sd/-

Signed by the Chief Financial Officer and Company Secretary & Compliance Officer of the Company.

Sd/-

Rajeev Kumar Watrana
Chief Financial Officer
PAN: AAAPW5724F

Sd/-

Gunjan Shah
Company Secretary
PAN: AHRPB2446H

Place: Delhi

Date: September 11, 2025