

THIS IS A PUBLIC ANNOUNCEMENT FOR INFORMATION PURPOSES ONLY. THIS IS NOT A PROSPECTUS ANNOUNCEMENT AND DOES NOT CONSTITUTE AN INVITATION OR OFFER TO ACQUIRE, PURCHASE OR SUBSCRIBE FOR UNITS OR SECURITIES. NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY OUTSIDE INDIA.



GANESH GREEN BHARAT LIMITED
(Formerly known as Ganesh Electricals Private Limited)
CIN: U31900GJ2019PLC108417

Our company was originally formed as partnership firm under the Indian Partnership Act, 1932 in the name and style of “M/s. Ganesh Electricals”, pursuant to a deed of partnership dated April 02, 2016, entered between Dhanjibhai Narsinhbhai Patel, Ketanbhai Narsinhbhai Patel, Niravkumar Sureshbhai Patel and Rajendrakumar Narsinhbhai Patel. Further, “M/s Ganesh Electricals” was converted from partnership firm to a Private Limited Company in the name of “Ganesh Electricals Private Limited” vide Certificate of Incorporation dated May 13, 2019 issued by Registrar of Companies, Central Registration Centre bearing CIN U31900GJ2019PTC108417. Further, pursuant to Special Resolution passed by the shareholders at the Extra Ordinary General Meeting held on October 09, 2023, the name of our Company was changed from “Ganesh Electricals Private Limited” to “Ganesh Green Bharat Private Limited” and a fresh certificate of incorporation pursuant to change of name was issued by the Registrar of Companies, Ahmedabad vide certificate dated October 11, 2023. Subsequently, our Company was converted into a Public Limited Company vide Special Resolution passed by the shareholders at the Extra Ordinary General Meeting, held on October 11, 2023 and consequently the name of our Company was changed from “Ganesh Green Bharat Private Limited” to “Ganesh Green Bharat Limited” vide a certificate of Incorporation consequent upon conversion to public company dated October 13, 2023 issued by the Registrar of Companies, Ahmedabad bearing CIN U31900GJ2019PLC108417.

Registered Office: F - 202, S.G. Business Hub, S.G. Highway, Ahmedabad- 382470 Gujarat, India

Contact Person: Palakben Mahesh Joshi, Company Secretary & Compliance Officer

Tel No: +91-79-29703080; **E-mail:** cs@ganeshgreen.com; **Website:** www.ganeshgreen.com;

PROMOTERS OF OUR COMPANY: KETANBHAI NARSINHBHAI PATEL, RAJENDRAKUMAR NARSINHBHAI PATEL, NIRAVKUMAR SURESHBHAI PATEL AND SHILPABEN KETANBHAI PATEL.

ADDENDUM TO THE DRAFT RED HERRING PROSPECTUS DATED JANUARY 16, 2024: NOTICE TO THE INVESTORS (“THE ADDENDUM”)

INITIAL PUBLIC OFFER OF UPTO 65,91,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH (THE “EQUITY SHARES”) OF GANESH GREEN BHARAT LIMITED (“OUR COMPANY” OR “GGBL” OR “THE ISSUER”) AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹ [●] LAKHS (“PUBLIC ISSUE”) OUT OF WHICH [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”) AND UPTO [●] EQUITY SHARES (CONSTITUTING UP TO 5.00% OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY) AGGREGATING UP TO ₹ [●] LAKHS FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES (AS DEFINED HEREINAFTER) (THE “EMPLOYEE RESERVATION PORTION”). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION AND EMPLOYEE RESERVATION PORTION I.E. ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UPTO ₹ [●] LAKHS IS HEREIN AFTER REFERRED TO AS THE “NET ISSUE”. THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE 26.58 % AND [●] % RESPECTIVELY OF THE POST- ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

Potential Bidders may note the following:

1. The Chapter titled “**Summary of Draft Red Herring Prospectus**” beginning on page 19 of the Draft Red Herring Prospectus has been updated to include details of Shilpaben Ketanbhai Patel as Promoters of the Company. In consequence to such addition in Promoters, the relevant portions of the Chapters namely “**Definitions and Abbreviations**”, “**Risk Factors**”, “**Capital Structure**”, “**Our Business**”, “**Our Management**”, “**Our Promoters & Promoter Group**” beginning on Page 1, 26, 61, 102, 142 and 156 of the Draft Red Herring Prospectus has also been updated.
2. The Chapter titled “**Risk Factors**” beginning on page 26 of the Draft Red Herring Prospectus has been updated
3. The Chapter titled “**Objects of the Issue**” beginning on page 71 of the Draft Red Herring Prospectus has been updated
4. The Chapter titled “**Our Business**” beginning on page 102 of the Draft Red Herring Prospectus has been updated
5. The Chapter titled “**History And Corporate Structure**” beginning on page 136 of the Draft Red Herring Prospectus has been updated
6. The Chapter titled “**Management’s Discussion And Analysis Of Financial Conditions And Results Of Operations**” beginning on page 215 of the Draft Red Herring Prospectus has been updated
7. The Chapter titled “**Outstanding Litigation And Material Developments**” beginning on page 226 of the Draft Red Herring Prospectus has been updated
8. The Chapter titled “**Our Group Company**” beginning on page 234 of the Draft Red Herring Prospectus has been updated
9. The Chapter titled “**Other Regulatory And Statutory Disclosures**” beginning on page 236 of the Draft Red Herring Prospectus has been updated
10. Please note that all other details in, and updates to the Red Herring Prospectus/ Prospectus with respect to issue price and/or other relevant details will be carried out in the Red Herring Prospectus, as and when filed with ROC, SEBI and the Stock Exchange.

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/ Prospectus, as and when filed with the RoC, the SEBI and the Stock Exchanges. 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 Ganesh Green Bharat Limited

Sd/-

Palakben Mahesh Joshi,

Company Secretary and Compliance Officer

Place: Ahmedabad
Date: March 15, 2024

BOOK RUNNING LEAD MANAGER TO THE ISSUE



Hem Securities Ltd.

HEM SECURITIES LIMITED

904, A Wing, Naman Midtown, Senapati Bapat Marg,
Elphinstone Road, Lower Parel, Mumbai-400013, India

REGISTRAR TO THE ISSUE



KFin Technologies Limited

Address: Selenium Tower-B, Plot 31 & 32, Gachibowli,
Financial District, Nanakramguda, Serilingampally,

Tel. No.: +91- 022- 49060000; Fax No.: +91- 022- 22625991 Email: ib@hemsecurities.com Investor Grievance Email: redressal@hemsecurities.com Website: www.hemsecurities.com Contact Person : Roshni Lahoti SEBI Regn. No. INM000010981	Hyderabad – 500 032, Telangana Tel No.: +91 40 6716 2222 Toll Free No.: 1800 309 4001 Email: ggbl.ipo@kfintech.com Contact Person: M Murali Krishna Website: www.kfintech.com SEBI Registration Number: INR000000221
BID/ISSUE PROGRAMME	
ANCHOR PORTION ISSUE OPENS/ CLOSES ON: [●]*	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 may, in consultation with the BRLM, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations*

TABLE OF CONTENTS

SECTION	CONTENTS	PAGE NO.
I.	GENERAL	
	DEFINITIONS AND ABBREVIATIONS	1
II.	SUMMARY OF DRAFT RED HERRING PROSPECTUS	2
III	RISK FACTORS	3
IV.	INTRODUCTION	
	CAPITAL STRUCTURE	27
	OBJECTS OF THE ISSUE	30
V.	ABOUT THE COMPANY	
	OUR BUSINESS	35
	HISTORY AND CORPORATE STRUCTURE	39
	OUR MANAGEMENT	40
	OUR PROMOTERS AND PROMOTER GROUP	41
VI.	FINANCIAL INFORMATION OF THE COMPANY	
	RESTATED FINANCIAL STATEMENTS	44
	MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS	50
VII	LEGAL AND OTHER INFORMATION	
	OUR GROUP COMPANY	54
	OTHER REGULATORY AND STATUTORY DISCLOSURES	55
	OTHER INFORMATION	
	DECLARATION	56



DRAFT RED HERRING PROSPECTUS

Dated: January 16, 2024

Please read Section 26 and 32 of the

Companies Act, 2013

(This Draft Red Herring Prospectus will be

updated upon filing with the RoC)

100% Book Built Issue



GANESH GREEN BHARAT LIMITED

(Formerly known as Ganesh Electricals Private Limited)

CIN: U31900GJ2019PLC108417

Registered Office	Contact Person	Email and Telephone	Website
F-202. S.G. Business Hub, S.G. Highway, Ahmedabad-382470 Gujarat India.	Palakben Mahesh Joshi Company Secretary & Compliance Officer	E-mail: cs@ganeshgreen.com Tel No: +91-79-29703080	Website: www.ganeshgreen.com

Promoters of the Company	Ketanbhai Narsinhbhai Patel, Rajendrakumar Narsinhbhai Patel, Niravkumar Sureshbhai Patel and Shilpaben Ketanbhai Patel.
--------------------------	--

DETAILS OF THE ISSUE				
Type	Fresh Issue Size (in ₹ lakhs)	OFS Size (by no. of Shares or by amount in ₹)	Total Issue Size (in ₹ lakhs)	Eligibility
Fresh Issue	65,91,000 Equity Shares aggregating to ₹ [●] Lakhs	Nil	₹ [●] Lakhs	This Issue is being made in terms of regulation 229(2) and 253(1) of chapter IX of the SEBI (ICDR) Regulations, 2018 as amended.

DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION – NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES

RISK IN RELATION TO THE FIRST ISSUE

This being the first issue of the issuer, there has been no formal market for the securities of the issuer. The face value of the Equity Shares is ₹10. The Floor Price, Cap Price and Issue Price determined by our Company, in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under “*Basis for Issue Price*” on page 79 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the Draft Red Herring Prospectus. Specific attention of the investors is invited to the section “*Risk Factors*” beginning on page 26 of this Draft Red Herring Prospectus.

ISSUER’S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares Issued through Red Herring Prospectus are proposed to be listed on the SME Platform of NSE (“NSE Emerge”). In terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, our Company has received “in-principle” approval letter dated [●] from NSE (NSE EMERGE) for using its name in the Offer Document. For the purpose of this Issue, the Designated Stock Exchange will be the National Stock Exchange of India Limited (“NSE”).

BOOK RUNNING LEAD MANAGER TO THE ISSUE

Name and Logo	Contact Person	Email & Telephone
 HEM SECURITIES LIMITED	Roshni Lahoti	Email: ib@hemsecurities.com Tel. No.: +91- 022- 49060000

REGISTRAR TO THE ISSUE

Name and Logo	Contact Person	Email & Telephone
 KFin Technologies Limited	M Murali Krishna	Email: ggbli.ipo@kfintech.com Tel No.: +91 40 6716 2222

BID/ISSUE PERIOD

ANCHOR PORTION ISSUE OPENS/CLOSES ON: [●]*	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 may, in consultation with the BRLM, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.



GANESH GREEN BHARAT LIMITED
(Formerly known as Ganesh Electricals Private Limited)
CIN: U31900GJ2019PLC108417

Our company was originally formed as partnership firm under the Indian Partnership Act, 1932 in the name and style of “M/s. Ganesh Electricals”, pursuant to a deed of partnership dated April 02, 2016, entered between Dhanjibhai Narsinhbhai Patel, Ketanbhai Narsinhbhai Patel, Niravkumar Sureshbhai Patel and Rajendrakumar Narsinhbhai Patel. Further, “M/s Ganesh Electricals” was converted from partnership firm to a Private Limited Company in the name of “Ganesh Electricals Private Limited” vide Certificate of Incorporation dated May 13, 2019 issued by Registrar of Companies, Central Registration Centre bearing CIN U31900GJ2019PTC108417. Further, pursuant to Special Resolution passed by the shareholders at the Extra Ordinary General Meeting held on October 09, 2023, the name of our Company was changed from “Ganesh Electricals Private Limited” to “Ganesh Green Bharat Private Limited” and a fresh certificate of incorporation pursuant to change of name was issued by the Registrar of Companies, Ahmedabad vide certificate dated October 11, 2023. Subsequently, our Company was converted into a Public Limited Company vide Special Resolution passed by the shareholders at the Extra Ordinary General Meeting, held on October 11, 2023 and consequently the name of our Company was changed from “Ganesh Green Bharat Private Limited” to “Ganesh Green Bharat Limited” vide a certificate of Incorporation consequent upon conversion to public company dated October 13, 2023 issued by the Registrar of Companies, Ahmedabad bearing CIN U31900GJ2019PLC108417

Registered Office: F - 202. S.G. Business Hub, S.G. Highway, Ahmedabad- 382470 Gujarat, India.

Contact Person: Palakben Mahesh Joshi, Company Secretary & Compliance Officer

Tel No: +91-79-29703080; **E-mail:** cs@ganeshgreen.com; **Website:** www.ganeshgreen.com;

Promoters of our Company: Ketanbhai Narsinhbhai Patel, Rajendrakumar Narsinhbhai Patel, Niravkumar Sureshbhai Patel and Shilpaben Ketanbhai Patel

DETAILS OF THE ISSUE		
INITIAL PUBLIC OFFER OF UPTO 65,91,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH (THE "EQUITY SHARES") OF GANESH GREEN BHARAT LIMITED (“OUR COMPANY” OR “GGBL” OR “THE ISSUER”) AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹[●] LAKHS(“PUBLIC ISSUE”) OUT OF WHICH [●]EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION") AND UPTO [●] EQUITY SHARES AGGREGATING UP TO ₹[●] LAKHS FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES (AS DEFINED HEREINAFTER) (THE “EMPLOYEE RESERVATION PORTION”). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION AND EMPLOYEE RESERVATION PORTION I.E. ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UPTO ₹ [●] LAKHS IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE 26.58 % AND [●] % RESPECTIVELY OF THE POST- ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.		
THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM AND WILL BE ADVERTISED IN ALL EDITION OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND ALL EDITION OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, AND AHMEDABAD EDITION OF [●], A REGIONAL NEWSPAPER (GUJARATI BEING THE REGIONAL LANGUAGE OF AHMEDABAD WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE SME PLATFORM OF NSE (“NSE EMERGE”) FOR THE PURPOSES OF UPLOADING ON THEIR WEBSITE		
In case of any revision in the Price Band, the Bid/Issue Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company, for reasons to be recorded in writing extend the Bid/Issue Period for a minimum of three Working Days, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a press release and also by indicating the change on the website of the BRLM and at the terminals of the Members of the Syndicate and by intimation to Designated Intermediaries and Sponsor Bank.		
The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended (“SCRR”) read with Regulation 253 of the SEBI ICDR Regulations, as amended, wherein not more than 50% of the Net Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers (“QIBs”, the “QIB Portion”), provided that our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations (“Anchor Investor Portion”), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. Further, Equity Shares capital will be allocated on a proportionate basis to Eligible Employees applying under the Employee Reservation Portion, subject to valid Bids. All potential Bidders (except Anchor Investors) are required to mandatorily utilize the Application Supported by Blocked Amount (“ASBA”) process providing details of their respective ASBA accounts, and UPI ID in case of RIBs using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see “ <i>Issue Procedure</i> ” beginning on page 258 of this Draft Red Herring Prospectus.		
RISK IN RELATION TO THE FIRST ISSUE		
This being the first issue of the issuer, there has been no formal market for the securities of the issuer. The face value of the Equity Shares is ₹10. The Floor Price, Cap Price and Issue Price determined by our Company, in consultation with the Book Running Lead Managers, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under “ <i>Basis for Issue Price</i> ” on page 79 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.		
GENERAL RISKS		
Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the Draft Red Herring Prospectus. Specific attention of the investors is invited to the section “ <i>Risk Factors</i> ” beginning on page 26 of this Draft Red Herring Prospectus.		
ISSUER’S ABSOLUTE RESPONSIBILITY		
The Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to the Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.		
LISTING		
The Equity Shares Issued through this Draft Red Herring Prospectus are proposed to be listed on the SME Platform of NSE (NSE EMERGE).In terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, our Company has received “in-principle” approval letter dated [●] from NSE (NSE EMERGE) for using its name in the Offer Document . For the purpose of this Issue, the Designated Stock Exchange will be the National Stock Exchange of India Ltd. (“NSE”)		
BOOK RUNNING LEAD MANAGER TO THE ISSUE		REGISTRAR TO THE ISSUE
HEM SECURITIES LIMITED 904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai-400013, India Tel. No.: +91- 022- 49060000; Fax No.: +91- 022- 22625991 Email: ib@hemsecurities.com Investor Grievance Email: redressal@hemsecurities.com Website: www.hemsecurities.com Contact Person: Roshni Lahoti SEBI Regn. No. INM000010981		KFin Technologies Limited Address: Selenium Tower-B, Plot 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032, Telangana Tel No.: +91 40 6716 2222 Toll Free No.: 1800 309 4001 Email: ggbli.po@kfintech.com Contact Person: M Murali Krishna Website: www.kfintech.com SEBI Registration Number: INR000000221
ISSUE PROGRAMME		
ANCHOR PORTION ISSUE OPENS/CLOSES ON: [●]*	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 may, in consultation with the BRLM, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.

SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

Promoter(s)	Shall mean promoters of our Company i.e., Ketanbhai Narsinhbhai Patel, Rajendrakumar Narsinhbhai Patel, Niravkumar Sureshbhai Patel and Shilpaben Ketanbhai Patel. For further details, please refer to section titled “ <i>Our Promoters & Promoter Group</i> ” beginning on page 156 of this Draft Red Herring Prospectus.
-------------	---

SECTION II – SUMMARY OF DRAFT RED HERRING PROSPECTUS

C. PROMOTERS

Ketanbhai Narsinhbhai Patel, Rajendrakumar Narsinhbhai Patel, Niravkumar Sureshbhai Patel and Shilpaben Ketanbhai Patel are the Promoters of our Company. For further details, see “*Our Promoters & Promoter Group*” beginning on page 156 of this Draft Red Herring Prospectus.

F. PRE-ISSUE SHAREHOLDING OF PROMOTERS AND PROMOTER GROUP

Our Promoters and Promoter Group collectively 1,82,10,000 Equity shares of our Company aggregating to 100.00% of the pre-issue paid-up Share Capital of our Company. Following are the details of the shareholding of the Promoters and Promoter Group, as on date of this Draft Red Herring Prospectus:

Sr. No.	Names	Pre-IPO		Post-IPO	
		Shares Held	%	Shares Held	%
	Promoters				
1	Ketanbhai Narsinhbhai Patel	1,04,10,000	57.17	1,04,10,000	[●]
2	Rajendrakumar Narsinhbhai Patel	32,40,000	17.79	32,40,000	[●]
3	Niravkumar Sureshbhai Patel	32,40,000	17.79	32,40,000	[●]
4	Shilpaben Ketanbhai Patel	3,60,000	1.98	3,60,000	[●]
	Sub Total (A)	1,72,50,000	94.73	1,72,50,000	[●]
	Promoter Group				
5	Ashaben Rajendrakumar Patel	3,60,000	1.98	3,60,000	[●]
6	Khushbu Niravkumar Patel	3,60,000	1.98	3,60,000	[●]
7	Dhanjibhai Narsinhbhai Patel	2,40,000	1.31	2,40,000	[●]
	Sub Total (B)	9,60,000	5.27	9,60,000	[●]
	Grand Total (A+B)	1,82,10,000	100.00	1,82,10,000	[●]

N. WEIGHTED AVERAGE PRICE OF THE SHARES ACQUIRED BY PROMOTERS IN LAST ONE YEAR

Sr. No.	Name of Promoters	No. of Equity Shares Acquired	Weighted Average Price (in ₹)
1.	Ketanbhai Narsinhbhai Patel	97,16,000	Nil
2.	Rajendrakumar Narsinhbhai Patel	30,24,000	
3.	Niravkumar Sureshbhai Patel	30,24,000	
4.	Shilpaben Ketanbhai Patel	3,60,000	

O. AVERAGE COST OF ACQUISITION OF SHARES

Sr. No.	Name of the Promoters	No. of Shares held	Average cost of Acquisition (in ₹)
1	Ketanbhai Narsinhbhai Patel	1,04,10,000	0.69
2	Rajendrakumar Narsinhbhai Patel	32,40,000	0.74
3	Niravkumar Sureshbhai Patel	32,40,000	0.74
4.	Shilpaben Ketanbhai Patel	3,60,000	0.00

SECTION III – RISK FACTORS

INTERNAL RISK FACTORS

1. ***We bid for projects funded by the Central and State Governments and derive our revenues from the work orders awarded to us. Any reduction in budgetary allocation to our industry sector may affect the number of projects that the government authorities/bodies may plan to develop in a particular period. Our business is directly and significantly dependent on projects awarded by them.***

Projects awarded under (i) Solar System & Allied Services, (ii) Electrical contracting services (iii) Water Supply Scheme Projects are partly funded by the Central and State Government. We have gained experience of participating in various schemes of government like - Saubhagya Scheme, KUSUM Scheme, Saur Sujla Yojna, Mukhya Mantri Nishchay Quality Affected Yojna, Har Ghar Jal (Jal Jeevan Mission) etc. Various government initiatives that may facilitate the growth of our company is as under:

- (i) Under PM GatiShakti Master Plan, the National Highway Network will develop 25,000 km of new highways network, which will be worth ₹20,000 crore (US\$ 2.67 billion). In 2022-23. Increased government expenditure is expected to attract private investments, with a production-linked incentive scheme providing excellent opportunities.
- (ii) The Central Electricity Authority (CEA) estimates India's power requirement to grow to reach 817 GW by 2030.
- (iii) PM-KUSUM (Pradhan Mantri Kisan Urja Suraksha evam Utthaan Mahabhiyan) scheme aims to add solar capacity of 30,800 MW by 2022 with total central financial support of ₹34,422 Crore including service charges to the implementing agencies. (Source: <https://pmkusum.mnre.gov.in/landing-about.html>)
- (iv) Provision of ₹600 crore for setting up of solar irrigation pumps under Saur Sujla Yojana to promote use of solar energy. (Source: https://finance.cg.gov.in/budget_doc/2023-2024/Press%20Note/Press%20Note-E.pdf)
- (v) The total indicative outlay for AMRUT 2.0 is ₹2,99,000 crore including Central share of ₹76,760 crore for five years. This outlay includes funding of ₹22,000 crore (₹10,000 crore as Central Assistance) for ongoing projects of AMRUT till March 2023. (Source: <https://pib.gov.in/PressReleasePage.aspx?PRID=1885837>)
- (vi) Paying special attention to these requirements, Govt. of India systematically designed and launched a scheme Pradhan Mantri Sahaj Bijli Har Ghar Yojana – Saubhagya, in October 2017 focusing on last mile connectivity and electricity connections to all the unelectrified households in the country. The scheme outlay is ₹16,320 crore, including Gross Budgetary Support of ₹12,320 crore. (Source: <https://powermin.gov.in/en/content/saubhagya>)
- (vii) Union Budget 2023-24 has allocated a massive Rs. 70,000 Crore for the implementation of the Jal Jeevan Mission. (Source: <https://static.pib.gov.in/WriteReadData/specificdocs/documents/2023/apr/doc2023427187601.pdf>)

Any reduction in the budgetary allocation or support by the Central and/or the State Governments may have a significant impact on the number of projects for which tenders may be issued by government authorities/bodies resulting in slowdown or downturn in our business prospects. Our business is directly and significantly dependent on projects awarded by them.

Further, there can be no assurance that the state governments or local bodies will continue to place emphasis on the (i) Solar sector, Electrification of roads or Water Supply sector. In the event of any adverse change in budgetary allocations for such projects or a downturn in available work in this sector resulting from any change in government policies or priorities, our business prospects and our financial performance, may be adversely affected. The contracts with government entities may be subject to extensive internal processes, policy changes, government or external budgetary allocation, insufficiency of funds and political pressure, which may lead to lower number of contracts available for bidding or increase in the time gap between invitation for bids and award of the contract which may lead to a delay in our business operations.

With reference to projects where our bids have been successful, there may be delays in award of the projects and/or notification of appointed dates, which may result in us having to retain resources which remain unallocated, thereby adversely affecting our financial condition and results of operations. Any adverse changes in the government authorities/bodies policies may lead to our contracts being foreclosed or terminated which could have an adverse effect on our business, prospects, and results of operations, cash flows and financial condition.

2. ***Our projects are awarded through the competitive bidding process by government authorities/bodies. We may not be able to qualify for, compete and win future projects, which could adversely affect our business and results of operations.***

Project Work orders, have been awarded to us following competitive bidding processes and satisfaction of prescribed

qualification criteria individually or along with our joint venture partners, wherever applicable. We bid for selective government projects where we see value and long-term growth prospects. In tenders where we have the technical and financial qualifications to bid for the projects there other criteria for considerations in the authority's decision like: service quality, technological capacity and performance, health and safety records and personnel, as well as reputation and experience. There can be no assurance that we would be able to meet the qualification criteria, particularly for larger projects, whether independently or together with other joint venture partners. Further, once the prospective bidders satisfy the qualification requirements of the tender, the project is usually awarded based on the quote by the prospective bidder. We spend considerable time and resources in the preparation and submission of bids. We cannot assure you that we would bid where we have been prequalified to submit a bid or that our bids, when submitted would be accepted. If we are not able to qualify in our own right to bid for larger projects, we may be required to partner and collaborate with other companies in bids for such projects. If we are unable to partner with other parties or lack the credentials to be the partner-of-choice for other parties, we may lose the opportunity to bid, which could affect our growth plans.

In addition, the government conducted tender processes may be subject to change in qualification criteria, unexpected delays and uncertainties. There can be no assurance that the projects for which we bid will be tendered within a reasonable time or will ever be tendered. In the event that new projects which have been announced and which we plan to bid for are not put up for tender within the announced timeframe, or qualification criteria are modified such that we are unable to qualify, our business, prospects, financial condition, cash flows and results of operations could be materially and adversely affected. We are not in a position to predict whether and when we will be awarded a new contract. Our future results of operations and cash flows can fluctuate materially depending on the timing of contract awards.

Projects awarded to us may be subject to litigation by unsuccessful bidders. Legal proceedings may result in delay in award of the projects and/or notification of appointed dates, for the bids where we have been successful, which may result in us having to retain unallocated resources and as a result, it would adversely affect our results of operations and financial condition. Further, we may be required to deploy time and resources in defending such litigation. Any unsuccessful outcome in any such proceedings may lead to termination of a contract awarded to us, which could have a material adverse effect on our future revenues and profits.

3. *We rely on our in-house designing and engineering team for project execution. Loss of employee(s) may have an adverse effect on the execution of our projects.*

We have an in-house team for designing and engineering which makes us self-reliant on all aspects of our business. We have a team of 10 engineers to ensure compliance and quality standards laid down by the industry and government agencies & departments. The scope of our services typically includes design and engineering of the Projects, procurement of raw materials, execution at site with overall project management up to the commissioning of Projects. Post commissioning, operations and maintenance of these projects for a certain period of time is generally a part of the award in recent times. The accuracy of the pre-bidding studies is dependent on the key elements like: preparing a project road map-based investigation of the project site, undertaking engineering surveys and preliminary designs which broadly include carrying out inventory and detailed condition surveys, carrying out preliminary investigations, availability of raw materials and implementing design in accordance with environmental and social concerns; and Preparation of bills of quantities covering all the items required in the work. Any deterrence or deviation in the estimation and calculation of the key elements may hamper the quality of the pre-bid engineering study, on which we rely before submitting any tenders for the relevant project. Any deviation during the implementation and operation of the project as compared to our pre-bid estimates could have a material adverse effect on our cash flows, results of operations and financial condition.

We believe that our ability to effectively execute and manage projects is crucial to our continued success. We understand that maintaining quality, minimising costs and ensuring timely completion of our projects depends largely on the skill and workmanship of our employees. As competition for qualified personnel increases among engineering and construction companies, it is difficult to retain highly skilled and trained employee by any organisation. Replacement of such employees is difficult and may require time to find and employ a suitable replacement. Loss of skilled employees from our designing, engineering and construction teams may affect our ability and capability to execute projects and may also affect our growth prospects.

4. *Our business is working capital intensive. If we experience insufficient cash flows to meet required payments on our working capital requirements, there may be an adverse effect on the results of our operations.*

We require a significant amount towards working capital requirements which is based on certain assumptions, and accordingly, any change of such assumptions would result in changes to our working capital requirements. A significant amount of working capital is required to finance the purchase of raw materials, stores and spares, mobilization of resources and other work on projects before payment is received from clients. As a result, we will continue to avail debt in the future to satisfy our working capital requirements. Our working capital requirements may increase if we undertake larger or additional projects or if payment terms do not include advance payments or such contracts have payment schedules that shift payments toward the end of a project or otherwise increase our working capital burden.

The working capital requirement involves providing of bank guarantees and security deposit for the work awarded to our Company for which cash margin has to be provided. Apart from that the clients retain certain percentage of the contract value after the completion of the project as retention money. However, we cannot assure you that our relationships with lenders will not change or that lenders will continue lending practices we are familiar with. Our lenders may implement new credit policies, adopt new pre-qualification criteria or procedures, raise interest rates or add restrictive covenants in loan agreements, some or all of which may significantly increase our financing costs, or prevent us from obtaining financings totally. As a result, our projects may be subject to significant delays and cost overruns, and our business, financial condition and results of operations may be materially and adversely affected.

In general, a large part of our working capital is also blocked in inventories and trade receivables from our clients, including those arising from progress payments or release of retention money. The results of operations of our business are dependent on our ability to effectively manage our inventory and trade receivables. To effectively manage our inventory, we must be able to accurately estimate customer demand / potential orders and supply requirements and purchase new inventory accordingly. However, if we misjudge expected customer demand / potential orders, it could cause either a shortage of products or an accumulation of excess inventory. During the stub period ended on September 30, 2023 and FY 2022-23, FY 2021-22 and FY 2020-21, our inventories were ₹ 2709.31 lakhs, ₹ 1511.88 lakhs, ₹702.57 lakhs and ₹ 849.89lakhs. To effectively manage our trade receivables, we must be able to accurately evaluate the credit worthiness of our customers and ensure that suitable terms and conditions are given to them in order to ensure our continued relationship with them. However, if we fail to accurately evaluate the credit worthiness of our customers, it may lead to bad debts, delays in recoveries and / or write-offs which could lead to a liquidity crunch, thereby adversely affecting our business and results of operations. During the stub period ended on September 30, 2023 and FY 2022-23, FY 2021-22 and FY 2020-21, our trade receivables were ₹ 2456.88 lakhs, ₹ 1996.42 lakhs, ₹ 2332.99 lakhs and ₹ 873.91 lakhs. There can be no assurance that the progress payments and the retention money will be remitted by our clients to us on a timely basis or that we will be able to efficiently manage the level of bad debt arising from such payment practice. Our working capital position also depends on the period of time taken by the government authorities/bodies to certify the invoice issued by us and release payment. All of these factors may result in an increase in the amount of our receivables and short-term borrowings and the continued increase in working capital requirements may have an adverse effect on our financial condition and results of operations.

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

Our Order Book as of September 30, 2023 has been calculated on the basis of the aggregate contract value of our ongoing projects as of such date reduced by the value of work executed by us until such date, and estimated contract value of new projects awarded to us. For the purposes of calculating the Order Book value, we do not take into account any escalation or change in work scope of our ongoing projects as of the relevant date. The manner in which we calculate and present our Order Book is therefore not comparable to the manner in which our revenue from operations is accounted, which takes into account revenue from work relating to escalation or changes in scope of work of our projects. The manner in which we calculate and present our Order Book information may vary from the manner in which such information is calculated and presented by other companies, including our competitors. The Order Book information included in this Draft Red Herring Prospectus is not audited and does not necessarily indicate our future earnings. Our Order Book should not be considered as a substitute for performance measures. As of September 30, 2023, our Order Book includes (i) 7 work orders under Solar System & Allied Services aggregating to Rs 8684.25 (ii) 7 work orders under Electrical contracting services aggregating to Rs 3325.41 Lakhs, (iii) 2 work orders under Water Supply Scheme Projects for an aggregate value of Rs. 1609.50 lakhs. For further details on our Order Book, see “**Our Business – Our Order Book**” on page 116. We may not be able to achieve our expected margins or may even suffer losses on one or more of these contracts or we may not be able to realise the revenues which we anticipated in such projects. In addition, there can be no assurance that we will be awarded the projects that we currently expect or that we will be able to execute agreements for these anticipated projects on terms that are favourable to us or at all. Our completed projects also include those projects for which we are yet to be issued the completion certificates by the relevant authority but are operational.

We may encounter problems executing the Projects as ordered, or executing it on a timely basis. Moreover, factors beyond our control may postpone a project or cause its cancellation, including delays or failure to obtain necessary permits, authorizations, permissions, and other types of difficulties or obstructions. Delays in the completion of a project can lead to clients delaying or refusing to pay the amount, in part or full, that we expect to be paid in respect of such project. Even relatively short delays or surmountable difficulties in the execution of a project could result in our failure to receive, on a timely basis or at all, all payments otherwise due to us on a project. These payments often represent an important portion of the margin we expect to earn on a project. In addition, even where a project proceeds as scheduled, it is possible that the contracting parties may default or otherwise fail to pay amounts owed. Any delay, reduction in scope, cancellation, execution difficulty, payment postponement or payment default in regard to our Order Book projects or any other uncompleted projects, or disputes with clients in respect of any of the foregoing, could materially harm our cash flow position, revenues and earnings.

Accordingly, the realization of our Order Book and the effect on our results of operations may vary significantly from reporting period to reporting period depending on the nature of such contracts, actual performance of such contracts, as well as the stage of completion of such contracts as of the relevant reporting date.

6. *Delays in the completion of current and future projects could lead to termination of engineering, procurement and construction (“EPC”) agreements or cost overruns, which could have an adverse effect on our cash flows, business, results of operations and financial condition.*

Due to our business operations in multiple jurisdictions, there may be delays in the completion of current and future projects which could lead to termination of engineering, procurement and construction (“EPC”) agreements or cost overruns, which could have an adverse effect on our cash flows, business, results of operations and financial condition. We have experienced such delays for our past projects due to reasons like: failure to obtain necessary permits, authorizations, permissions, and other types of difficulties or obstructions, change in the scope of work, execution difficulty, payment postponement by government authorities, pandemic like: COVID 19, natural or manmade calamities etc. However, as of now we have not defaulted in completion of any of the projects.

Our projects are typically subject to a completion schedule. We are also required to provide security deposit or bank guarantees to customers to complete projects on schedule. Any failures to adhere to a contractually agreed schedule for reasons other than the agreed force majeure events could result in us being required to pay liquidated damages, which would usually be a certain percentage of the total project cost, or lead to forfeiture of security deposits or invocation of performance guarantees. We monitor various business functions including project management, materials management, inventory management, procurement planning, quality management, project maintenance, finance and controlling, environment health and safety, and human resources. We consistently make efforts to maintain and upgrade our systems to suit our business requirements and improving efficiency in our operations. Any future failures to complete projects on schedule could have a material adverse effect on our results of operations and financial condition.

7. *Projects sub-contracted or undertaken through a joint venture may be delayed on account of the performance of the joint venture partner, principal or sub-contractor, resulting in delayed payments.*

We typically sub-contract specific construction and development works on of our projects and we may be engaged as sub-contractor for specific works on third party projects. When we act as a sub-contractor, payment on such projects may depend upon the performance of our principal contractor and when we sub-contract, payments may depend on the subcontractor’s performance. A completion delays on the part of a principal or subcontractor, for any reason, could result in delayed payments to us. In addition, when our Company sub-contracts, we may be liable to the client due to failure on the part of a sub-contractor to maintain the required performance standards or insufficiency of a sub-contractor’s performance guarantees. We also enter into joint ventures to take on projects. In those instances, the completion of the contract for our client depends in part on the performance of our joint venture partners. If the joint venture partner fails to complete its work on time, it could result in delayed payments or in breach of our contract. However, the joint venture agreements or sub contract agreements carry the clause for such compensation, there may be cases where we may be required to pay penalties and liquidated damages, or the client may invoke our performance guarantee. Further, the liability of joint venture partners is joint and several. Therefore, we would be liable for the completion of the entire project if a joint venture partner were to default on its duty to perform. Failure to effectively protect ourselves against risks for any of these reasons could expose us to substantial costs and potentially lead to material losses, which could adversely affect our business, results of operations and financial condition.

Moreover, our Joint ventures and Subsidiary are not wholly controlled and managed by us. There are specific risks

applicable to the failure to control activities of joint venture partners and these risks, in turn, add potential risks to us. Such risks include greater risk of joint venture partners failing to meet their obligations under related joint ventures or other agreements, conflicts with joint venture partners, the possibility of a joint venture partner taking valuable knowledge from us and the inability of a joint venture entity to access funds, which could lead to resource demands on us in order to maintain or advance our strategy. The realization of any of these risks and other factors may have an adverse effect on our business, results of operations and financial condition.

8. *Increase in the prices of raw materials and labour could have an adverse effect on our business, results of operations and financial condition.*

We undertake Projects by bidding for tenders issued by various government authorities/bodies across the country. A significant part of the execution of any project is Planning, Designing, Procurement, Execution, Testing and Commissioning, Monitoring and Controlling, Operations & Maintenance. This activity requires significant raw materials, stores and spares and labour and therefore forms a major cost for our operations. During the stub period ended on September 30, 2023 and Financial Years 2023, 2022 and 2021 the cost of material consumed were Rs 3614.74 lakhs, Rs 6044.59 lakhs, Rs 6521.65 lakhs and Rs 4716.14 lakhs which constituted 61.54%, 67.01%, 61.80% and 56.64% of our revenue from operations respectively.

We are vulnerable to the risk of rising and fluctuating prices of raw materials which are determined by demand and supply conditions in the global and Indian markets. Any unexpected price fluctuations after placement of orders, shortage, delay in delivery, quality defects, or any factors beyond our control may result in an interruption in the supply of such materials and adversely affect our business, financial performance and cash flows.

We may suffer significant cost overruns or even losses in these projects due to unanticipated cost increases resulted from a number of factors such as changes in assumptions underlying our contracts, unavailability or unanticipated increases in the cost of raw materials, fuel, labour and stores and spares, changes in applicable taxation structures or the scope of work, delays in obtaining requisite statutory clearances and approvals, delays in possession of project site by the client, disruptions of the supply of raw materials due to factors beyond our control, unforeseen design or engineering challenges, inaccurate drawings or technical information provided by clients, severe weather conditions or force majeure events. Despite the escalation clauses in some of our EPC contracts, we may experience difficulties in enforcing such clauses to recover the costs we incurred in relation to the additional work performed at the clients' requests or due to the change of scope of work. If any of these risks materialize, they could adversely affect our profitability, which may in turn have an adverse effect on our overall results of operation.

Additionally, we do not have long-term contracts with suppliers of solar PV cells and all other raw materials and therefore, are susceptible to potential unavailability of raw materials. The availability of solar PV cells and various raw materials, essential for manufacturing solar PV modules is purchased from raw material suppliers with whom we do not have long term supply agreements. We purchase all these raw materials on a need basis primarily through the spot market purchase mechanism and seek to source such raw materials from diverse suppliers. In the past few years, there has been a growing demand for solar power products necessitating continuing expansion of the full solar value chain industry. This growing demand and global supply chains to meet such demand, however, has been negatively impacted by the unforeseeable factors like: COVID-19 pandemic. In the future, there may be industry-wide fluctuations in the supply of raw materials due to the growing demand for solar PV modules. We may, from time to time, experience late delivery from suppliers and may have to purchase raw materials at a higher price or with lower conversion efficiencies / specifications, which in turn may result in reduced revenues per solar PV module.

There can be no assurance that the current procurement efforts will be successful in ensuring an adequate supply of raw materials at viable prices to meet our solar PV module production requirements. If we are unable to meet customer demand for our products or if our products are only available at a higher price because of a shortage of raw materials, we could lose customers, market share and revenue. Further, many of our competitors, that also purchase raw materials from our suppliers, may have stronger relationships as well as greater bargaining power with the suppliers. This may materially and adversely affect our business, financial condition, results of operations and cash flow.

9. *Our actual cost in executing Projects may vary substantially from the assumptions underlying our bid or estimates. We may be unable to recover all or some of the additional costs and expenses, which may have a material adverse effect on our results of operations, cash flows and financial condition.*

Under the terms and conditions of agreements with government authorities/bodies for the work orders awarded to our company, we generally receive an agreed sum of money, subject to contract variations covering changes in the client's

project requirements. Our actual expenditure in executing such projects may vary substantially from the assumptions underlying our bid and estimates for various reasons, including, unanticipated increases in the cost of raw materials, fuel, labour or other inputs or delay in obtaining certain approvals or delay caused by local weather conditions and suppliers' failures to perform.

Our ability to pass on increases in the purchase price or cost of raw materials, labour and other inputs may be limited in the case of contracts with limited or no price escalation provisions, and we cannot assure you that these variations in cost will not lead to financial losses to us in future. Further, other risks generally inherent to our industry may result in our profits from a project being less than as originally estimated or may result in us experiencing losses due to cost and time overruns, which could have a material adverse effect on our cash flows, business, financial condition and results of operations.

10. *The restated financial statements have been provided by peer reviewed chartered accountants who is not statutory auditor of our Company.*

The restated financial statements of our Company for the stub period ended on September 30, 2023 and financial year ended March 31 2023, 2022 and 2021 have been furnished by a peer-reviewed chartered accountant who is not the statutory auditor of our Company. While our statutory auditor possesses a valid peer-reviewed certificate, due to their existing commitments, the task of providing the restated financial statements was entrusted to the aforementioned peer-reviewed chartered accountant.

11. *Our Company has not adequately complied with some of the provisions of Companies Act, 2013. There are certain discrepancies/errors noticed in some of our corporate records relating to forms filed with the Registrar of Companies and other provisions of Companies Act, 2013. Any penalty or action taken by any regulatory authorities in future, for non-compliance with provisions of corporate and other law could impact the reputation and financial position of the Company to that extent.*

Our company has missed to comply with certain statutory provisions in the past including but not limited to the details as mentioned in this risk factor. The Company has not filed certain ROC forms such as Form CHG-1 for creation of vehicle loans taken in the past which inter-alia includes non-compliance of Section 77 of the Companies Act, 2013 and is subject to penalty under section 86 which states that the company shall be liable to a penalty of five lakh rupees and every officer of the company who is in default shall be liable to a penalty of fifty thousand rupees. Further, such loans may be considered as unsecured Loan. It includes vehicle loan from HDFC Bank and three vehicle loans from Punjab National Bank Ltd with total outstanding as on September 30, 2023 of Rs. 59.01 lakhs. Our company had not prepared Consolidated Financial Statements in the FY 21-22 with its then Joint venture, PIGL GEPL JV which inter-alia includes non-compliance of Section 129 and 137 of the Companies Act, 2013 and AS-27 as per Indian GAAP. The Profit after Tax of the company on standalone basis for FY 21-22 was Rs 518.27 lakhs and that after compliance of AS 27 the Profit After Tax of the company on consolidated basis for FY 21-22 was Rs 517.44 lakhs. The effect of the same is reflected in the restated financials statements presented in the DRHP. However, our company has now prepared Audited Consolidated financial statements of the company for the FY 21-22, approved by the Board of Directors on October 27, 2023 for the purpose of compilation of the same in the restated financial statements. Moreover our company has filed the compounding application for the delayed filing of consolidated financial statements for FY 21-22. Although, no show cause notice in respect of the non-compliance has been received by the Company till date, any penalty imposed for such non-compliance in future by the any regulatory authority could affect our financial conditions to that extent. In case of any action being taken by the regulatory authorities against the Company and/or its officers, the same may have an adverse effect on our business and reputation. Our company has not complied with certain Accounting Standards such as AS15 however the same have been duly complied by the company in the restated financial statements. Although, no show cause notice in respect of the above has been received by the Company till date, any penalty imposed for such non-compliance in future by any regulatory authority could affect our financial conditions to that extent.

12. *Our Statutory Auditor have included certain qualifications in their Audit Report (including CARO Report) for financial statements pertaining to F.Y. 2022-23.*

Our Statutory Auditor have included certain qualifications/observations in their CARO Report (part of Audit Report) for financial statements pertaining to F.Y. 2022-23. Below are the details of the same:

Observation related to compliance of CSR in CARO Report

F.Y. 2022-23

According to the information and explanations given to us, no transfer unspent amount of Rs. 19,36,064 to a fund specified in schedule VII to the companies act within a period of six month of the expiry of the financial year in compliance with second proviso to sub section (5) of section 135 of the said act.

The company has now complied with such disclosure and all the past dues towards CSR expenditure has been paid by way of contribution of ₹42.68 lakhs to the Shree Brahmani Charitable Trust during the Fiscal 2023. Our company has filed the compounding application for the delay in compliance with provisions of sec 135 of Companies Act 2013. Consequently, the company and its directors may be subject to penalties to the extent stated in section 135 of companies act 2013.

13. *Our business is operating under various laws which require us to obtain approvals from the concerned statutory/regulatory authorities in the ordinary course of business and our inability to obtain, maintain or renew requisite statutory and regulatory permits and approvals for our business operations could materially and adversely affect our business, prospects, results of operations and financial condition.*

Our business requires us to obtain and renew from time to time, certain approvals, licenses, registrations and permits, some of which have expired and for which we have either made or are in the process of making an application for obtaining the approval or its renewal. In particular, we require certain approvals, licenses, registrations and permissions under various regulations, guidelines, circulars and statutes regulated by various authorities for operating our business activities that by us may contain conditions, some of which could be onerous. There can be no assurance that the relevant authorities will issue these approvals or licenses in a timely manner, or at all. In the event of any unanticipated delay in receipt of such approvals, it will have an adverse impact on our business operations.

Failure by us to renew, maintain or obtain the required permits or approvals at the requisite time may result in the interruption of our operations and may have an adverse effect on our business, financial condition and results of operations. Further, we cannot assure that the approvals, licenses, registrations and permits issued to us would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any failure to renew the approvals that have expired or apply for and obtain the required approvals, licenses, registrations or permits, or any suspension or revocation of any of the approvals, licenses, registrations and permits that have been or may be issued to us, may impede our operations. For further details, see “**Government and Other Approvals**” on page 229 of this Draft Red Herring Prospectus. In the event that we are unable to obtain such approvals in a timely manner or at all, our business operations may be adversely affected. We may be implicated in any environmental legal proceedings in the course of our business due to non-compliances with terms and conditions of regulatory approvals or authorizations.

14. *An inability to complete our Ongoing Projects by their respective expected completion dates or at all could have a material adverse effect on our business, results of operations and financial condition*

Our ability to complete our projects within the expected completion dates or at all is subject to a number of risks and unforeseen events. As of September 30, 2023, we have 16 ongoing Projects with an order book of Rs 13,619.16 lakhs. Whilst there have been any delays in any of our Completed and Ongoing Projects or approvals required for any of our Ongoing Projects due to reasons not attributable to the company, we cannot assure you that we will not experience any delays in any of our projects going forward. The company faces potential penalties such as liquidation damages, deductions from bills, revocation of bank guarantees and blacklisting due to missed deadlines. While in past instances the company has not been blacklisted or the bank guarantees have not been forfeited by any authority, there is no assurance that we may not face any such penalties or damages in the future.

15. *Our contracts with government authorities/bodies usually contain terms that favour them and they may terminate our contracts prematurely under various circumstances beyond our control and as such, we have limited ability to negotiate terms of these contracts and may have to accept restrictive or onerous provisions. Our inability to negotiate terms that are favourable to us may have a material adverse impact on our financial condition and results of operations.*

We have only a limited ability to negotiate the terms of the contracts with government authorities/bodies, which tend to favour them. For instance, the terms laying out our obligations, as well as quotations for our projects (as applicable) are determined by the government entities and we are not permitted to amend such terms. The contractual terms may present risks to our business, including:

- risks we have to assume and lack of recourse to the government authorities/bodies;

- liability for defects arising after the termination of the agreement;
- clients' discretion to grant time extensions, which may result in project delays and/or cost overruns;
- our liability as a contractor for consequential or economic loss to our clients;
- commitment of the government authorities/bodies to secure encumbrance free land, utility shifting and delay in obtaining approvals; and
- the right of the government authorities/bodies to terminate our contracts after providing us with the required written notice within the specified notice period.

Our ability to continue operating or undertaking these projects thus largely depends on government authorities/bodies, who may terminate the relevant agreements for reasons set forth in those agreements. If the government authorities/bodies terminate any of our agreements, under the relevant agreement it is generally required to compensate us for the amount of our unrecovered investment, unless the agreement is terminated pursuant to applicable law or our breach of the terms of the agreement is material. Such compensation process is likely to be time consuming and the amount paid to us may not fully compensate us. Under such circumstances, we are typically required to transfer the control and possession of the project sites back to the government. We cannot assure you that we would receive such compensation on a timely basis or in an amount equivalent to the value of our investment plus our lost profits.

In the event we commit a default under the terms of the contract, the government authorities/bodies may suspend us from carrying out any work on the relevant project for a certain period of time from the date of issue of notice and we are required to indemnify the government authorities/bodies for all costs incurred during such period by the authority for discharging our obligations. Though there has been no such incidence in the recent past, such onerous conditions in government contracts may affect the efficient execution of these projects and may have adverse effects on our profitability.

16. *We have limited experience in the business of manufacturing Solar PV modules and there is no assurance that we will be able to maintain or increase our revenue from operations in the long term.*

Our subsidiary, Souraj Energy Private Limited was incorporated in March 2021 and started manufacturing Solar PV modules in the year December 2022 at its factory situated in Mehsana. We have also set up an additional line for manufacturing of solar photo-voltaic ("PV") modules in our company which has recently started commercial production. Being a new player in the business of manufacturing solar PV Modules we have a limited operating history and there is no assurance that we will be able to maintain our past rate of growth and succeed in realizing our growth strategy. While we may have experienced success in initial years, there is no assurance that we will succeed in the long term.

We cannot assure that we will be able to maintain or increase the revenue generated from Solar PV modules in the future.

Consequently, any reduction in demand or decrease in production of Solar PV modules could result in significant loss which in turn will lead to lower revenues and gross and operating margins resulting into material adverse effect on our business, financial condition and results of operation. Due to our very limited experience, we may face new business and financial challenges which may adversely affect our growth prospects, business, profitability, cash flows and results of operations.

Further, the limited operating history of our Company may not serve as an adequate basis to evaluate our future prospects, results of operations and cash flows. Therefore period-to-period comparisons of our operating results and our results of operations for any period should not be relied upon as an indication of our performance for any future period.

17. *Our business is exposed to various implementation risk and other uncertainties which may adversely affect our business, results of operations and financial condition.*

Our operations are subject to hazards inherent in project management, materials management, inventory management, procurement planning, quality management, project maintenance, finance and controlling, environment health and safety, and human resources. The development of these projects involves various implementation risks including delays or disruption in supply of raw materials, unanticipated cost increases, force majeure events, cost overruns. We may be further subject to risks such as:

- unforeseen technical problems, disputes with works and labour contractor, force majeure events and unanticipated costs due to defective plans and specifications;

- not being able to obtain adequate capital or other financing at affordable costs or obtain any financing at all to complete any of our projects;
- not being able to provide the required guarantees under project agreements or enter into financing arrangements;
- experiencing shortages of, and price increases in, materials and skilled and unskilled labour, and inflation in key supply markets;
- the relevant authorities may not be able to fulfil their obligation prior to construction of a project, in accordance with the relevant contracts resulting in unanticipated delays;
- spread of infectious diseases at our project sites, resulting in temporary shutdown of operations at such sites until such sites are successfully decontaminated and the relevant persons are quarantined;
- delays in completion and commercial operation could increase the financing costs associated with the project execution and cause our forecast budget to be exceeded;
- risk of equipment failure that may cause injury and loss of life, and severe damage to and destruction of property and equipment; and
- other unanticipated circumstances or cost increases.

Our Projects typically have a long gestation period and require substantial capital infusion at periodic intervals before our invoice is certified by the government authorities/bodies. There cannot be any assurance that these projects will be completed in the time expected. If any or all of these risks materialise, we may suffer significant cost overruns or even losses in these projects due to unanticipated increase in costs as a result of which our business, profits and results of operations will be materially and adversely affected.

18. *We have projects in diverse geographical regions which may expose us to various challenges.*

In the last 10 years, we have successfully completed 25 Projects across the states of Rajasthan, Gujarat, Maharashtra, Bihar, Uttar Pradesh, Jharkhand, Chattisgarh and Madhya Pradesh. As of September 30, 2023, our Order Book includes (i) 7 work orders under Solar System & Allied Services aggregating to Rs 8684.25 (ii) 7 work orders under Electrical contracting services aggregating to Rs 3325.41 Lakhs, (iii) 2 work orders under Water Supply Scheme Projects for an aggregate value of Rs. 1609.50 lakhs. For further details on our Order Book, see “**Our Business - Order Book**” on page 116. The execution of Projects in these diverse geographies may be challenging on account of our lack of familiarity with the social, political, economic and cultural conditions of these regions, language barriers, difficulties in staffing and managing operations and our reputation in such regions. We may also encounter additional unanticipated risks and significant competition in these diverse geographical areas with different projects which may adversely affect our business, operations, and financial condition.

19. *We are subject to risks arising from interest rate fluctuations, which could reduce the profitability of our projects and adversely affect our business, financial condition and results of operations.*

Interest rates for borrowings have been increasing in recent times. Our working capital requirements are partly funded by debt and any increase in interest rate and a consequent increase in the cost of servicing such debt may have an adverse effect on our results of operations and financial condition. Changes in prevailing interest rates affect our interest expense in respect of our borrowings and our interest income in respect of our interest on our deposits with banks. As on September 30, 2023, our fund based financial assistance from banks and financial institution is ₹2646.27 lakhs. For further details, please see “**Financial Indebtedness**” on page 208. Our current debt facilities carry interest at floating rates on REPO. We do not currently enter into interest hedging arrangements to hedge against interest rate risk. Upward fluctuations in interest rates may increase our borrowing costs, which could impair our ability to compete effectively in our business relative to competitors with lower levels of indebtedness. As a result, our business, financial condition, cash flows and results of operations may be adversely affected. In addition, we cannot assure you that difficult conditions in the global credit markets will not negatively impact the cost or other terms of our existing financing as well as our ability to obtain new credit facilities or access the capital markets on favourable terms.

20. *There have been instances of delays of certain forms which were required to be filed as per the reporting requirements under the Companies Act, 2013*

In the past, there has been certain instances of delays in Filing statutory forms which have been subsequently filed by payment of an additional fees as specified by ROC. For instance there has been a delay in Filing Audited Annual Financial Statements and AGM with MCA for FY 21-22 and FY 22-23 due to operational and technical difficulties faced by the company, however the same were appropriately filed after payment of late fees and the disclosed AGM were conducted within time frame as specified as per Companies act 2013. No show cause notice in respect of the above has been received by the company till date. It cannot be assured that there will be no such instances in the future

or our company will not commit any further delays in relation to its reporting requirements or any penalty or fine will not be imposed by any regulatory authority in respect of the same. The happening of such event may cause a material effect on our results of operations and financial position.

21. *We are required to furnish bank guarantees as part of our business. Our inability to arrange such guarantees or the invocation of such guarantees may adversely affect our cash flows and financial condition*

As part of our business and requirements of our work orders we are required to provide financial and performance bank guarantees in favour of our clients under the respective contracts for our projects. For our projects, we typically issue bank guarantees in favour of the relevant government authority with whom the contractual arrangement has been entered into. These guarantees are typically required to be furnished at the time of execution of the contract agreement & valid up to the completion of defect liability period or the O & M period whichever is later. We may not be able to continue obtaining new financial and performance bank guarantees in sufficient quantities to match our business requirements. If we are unable to provide sufficient collateral to secure the financial bank guarantees, performance bank guarantees or letters of credit, our ability to enter into new contracts or obtain adequate supplies could be limited and could have a material adverse effect on our business, results of operations and financial condition. Providing security to obtain financial and performance bank guarantees also increases our working capital requirements.

As of September 30, 2023, we had issued bank guarantees amounting to ₹1406.46 lakhs towards securing our financial/performance obligations for our projects. We may be unable to fulfil any or all of our obligations under the contracts entered into by us in relation to our ongoing projects and completed projects due to unforeseen circumstances which may result in a default under our contracts resulting in invocation of the bank guarantees issued by us. If any or all the bank guarantee are invoked, it may result in adverse effects on our business and financial condition.

22. *Our manufacturing facilities are located on leased premises. If we are unable to renew these leases or relocate on commercially suitable terms, it may have a material adverse effect on our business, results of operation and financial condition*

Our registered office is taken on rent from our Promoter and Managing Director, Ketanbhai Narsinbhai Patel pursuant to Leave and License agreement dated October 20, 2023 and our factory unit is taken on rent from our subsidiary, Souraj Energy Private Limited pursuant to lease agreements dated January 30, 2023 Such agreements may be terminated upon the expiry of their tenure and may not be renewed. For details, see “**Our Business –Immoveable Properties**” on page 125 Additionally, the agreements require our Company to comply with certain conditions including prior consent of the lessor for certain actions such as making significant structural alterations, subletting, transferring or assigning the leased premises. If we fail to meet any such conditions, we may be required to incur additional liability. Any present and future conflicts arising due to sharing our registered office and factory unit premises could have a material adverse effect on our operations.

These agreements may not be stamped adequately or registered. The effect of inadequate stamping is that the document is not admissible as evidence in legal proceedings and parties to that agreement may not be able to legally enforce the same, except after paying differential stamp duty and/or penalty for inadequate stamping. The effect of non-registration of an instrument is that the title to the property does not transfer in favor of the transferee and therefore, making the instrument unenforceable. Any potential dispute due to non-compliance of local laws relating to stamp duty and registration may adversely impact the operations of our Company. If these agreements are terminated or revoked if we are unable to renew these agreements on commercially reasonable terms or at all, we may suffer significant disruptions to our operations and incur considerable costs to relocate and move our operations elsewhere. In the event we are required to vacate the premises, we may need to do with short or no notice. Any inability on our part to timely identify a suitable location to relocate could have an adverse impact on our business.

23. *We are susceptible to supply shortages and interruptions, long lead times, and price fluctuations for raw materials and components, any of which could disrupt our supply chain and have a material adverse impact on our results of operations.*

Our portfolio of offerings includes various product categories. Successful completion of our work orders require timely and adequate supply of various types of raw materials and components. Some of the major components and all the raw materials used to produce our products are sourced from third-party suppliers and some of these components and raw materials are sourced from a limited number of suppliers or a single supplier as well. Therefore, we are subject to risks of shortages or discontinuation in supply, long lead times, cost increases and quality control issues with our suppliers. In addition, some of our suppliers may have more established relationships with our competitors, and as a result of

these relationships, such suppliers may choose to limit or terminate their relationships with us or prioritize our competitors' orders in the case of supply shortages. The quality of our products is primarily derived from the quality of our raw materials, and any deterioration in the quality of raw materials supplied to us will have an adverse effect on the quality of our products, market reputation and sales volumes. Our top 10 suppliers for the stub period ended on September 30, 2023 and Fiscals 2023, 2022 and 2021 accounted for 88.76%, 74.11%, 51.33% and 46.93% of our purchases for respective years. There can be no guarantee that we will be able to maintain our current line-up of suppliers or adequate supply of such raw materials at all times.

24. *We derive a significant portion of our revenue from certain states and failure to expand our operations into new geographic regions and markets may restrict our growth and adversely affect our business*

Currently, we generate revenue from operations mainly from Gujarat, Rajasthan and Uttar Pradesh. During the stub period ended on September 30, 2023 and in the FY 2023 our sales from the state of Gujarat accounted for 27.93% and 56.59% of our revenue from operations and that from the state of Rajasthan accounted for 27.93% and 56.59% of our revenue from operations. Furthermore during the stub period ended on September 30, 2023 our revenue from state of Uttar Pradesh accounted for 27.93% of our revenue from operations. Accordingly, any material adverse social, political or economic development, natural calamities, civil disruptions, regulatory developments or changes in the policies of the state or local government in this region could adversely affect our business activities, result in modification of our business strategy, which will in turn have a material adverse effect on our business, financial condition & results of operations. Geographical and functional expansion of our business requires establishment of adequate network. As we seek to diversify our regional focus, we may face the risk that our competitors may be better known in other markets, enjoy better relationships with customers. We have limited experience and knowledge of operating in other states, and our foray into new geographies or into new products in the existing geographies may be subject to high barriers to entry including existing competition, local laws and market dynamics. Our lack of exposure in geographical boundaries outside our operating regions could impact our future revenues, our operating results and financial conditions.

Further, we may not be able to effectively assess the level of promotional marketing required in a particular state, and the recognition of our brands and products in such states may not be in the manner or to the extent anticipated by us. Our expansion into new geographies may also be challenging on account of our lack of familiarity with the social, political, economic and cultural conditions of these new regions, language barriers, difficulties in staffing and managing such operations and reputation in such regions. We may also encounter other additional anticipated risks and significant competition in such markets.

25. *We are significantly dependent on the EPC projects in Electrical contracting services and Solar System & Allied Services. An inability to anticipate or adapt to evolving up gradation or inability to ensure quality delivery or reduction in the demand of these projects may adversely impact our revenue from operations and growth prospects*

Our financial performance during the stub period ended on September 30, 2023 and in the FY 2023 is significantly dependent on our revenue from sales of Electrical contracting services which represented 27.93% and 56.59% of our revenue from operations and on our revenue from sales of Solar System & Allied Services which represented 23.325 and 27.76% of our revenue from operations. We cannot assure you that we will increase our market share in the future for these products. Further, the products and services may be substituted by product up gradation and our company may be unable to upgrade our offerings. We may not be able to introduce new products or services that are in faster-growing and more profitable categories. Any of these factors could have a material adverse impact on our financial condition and the results of operations. We may also be required to invest in updated technology and processes to develop upgraded product having the desired specification, qualities and characteristics and continually monitor and adapt to evolving demand. Any such upgradation may also require for additional capital investment which may affect our financial position.

26. *We currently avail benefits under the EPCG licenses. In order to continuously avail the benefits, we are required to export goods of a defined amount. Any failure in meeting the obligations may make us liable to pay duty proportionate to unfulfilled obligations along with interest*

Pursuant to our EPCG licenses, we are required to export goods of a defined amount, failing which we may have to pay the Government, a sum equivalent to the duty benefit enjoyed by us under the EPCG licenses along with interest. As on date of this DRHP our pending obligation against the EPCG license is ₹ 993.11 lakhs. Any reduction or withdrawal of benefits or our inability to meet any of the conditions prescribed under such schemes would adversely affect our business, financial condition, to the extent of unfulfilled obligation along with interest.

27. ***We have certain contingent liabilities that have not been provided for in our restated consolidated financial statements, which if realised, could adversely affect our financial condition.***

As on September 30, 2023, our contingent liabilities that have not been accounted for in our restated consolidated financial statements, were as follows:

(₹ in lakhs)

Particulars	30 September 2023	31 March 2023	31 March 2022	31 March 2021
	Consolidated	Consolidated	Consolidated	Standalone
Contingent liabilities in respect of:				
Claims against the company not acknowledged as debts (Income tax Appeal (disputed demand) for F.Y. 2019-20 and TDS Defaults)	45.92	15.36	8.5	4.82
Guarantees given on Behalf of the Company	1406.46	11.8	11.29	9.31
Guarantees given on Behalf of the Subsidiary Company	791.17	0	0	0
Guarantees given on Behalf of the Related Party	0	879.56	0	0
Total	2235.03	906.72	19.79	14.13

We cannot assure you that these contingent liabilities will not become established liabilities. In the event any of these contingent liabilities become established as liabilities, it may have an adverse effect on our financial condition and results of operations.

28. ***We have experienced negative cash flows in the past and may continue to do so in the future and the same may adversely affect our cash flow requirements, which in turn may adversely affect our ability to operate our business and implement our growth plans, thereby affecting our financial condition.***

We have experienced negative net cash flows from operating, investing and financing activities in the past and may continue to experience such negative operating cash flows in the future. The following table sets forth certain information relating to our cash flows on a restated consolidated basis for the periods indicated:

(₹ in lakhs)

Particulars	September 30, 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020
Net cash from/ (used in) Operating Activities	(75.98)	(236.98)	(845.65)	(385.35)
Net cash from/ (used in) Investing Activities	(97.74)	(33.30)	(167.66)	(179.49)
Net cash from/ (used in) Financing Activities	171.95	262.72	1037.48	(185.66)

Negative cash flows over extended periods, or significant negative cash flows in the short term, could materially impact our ability to operate our business and implement our growth plans. As a result, our cash flows, business, future financial performance and results of operations could be materially and adversely affected. For further details, see “**Restated Financial Statements**” and “**Management’s Discussion and Analysis of Financial Position and Results of Operations**” beginning on pages 163 and 215, respectively.

29. ***Our operations are dependent on a significant number of contract labour and an inability to access adequate labour at reasonable costs at our project sites across India may adversely affect our business prospects and results of operations.***

Our operations are significantly dependent on access to a large pool of contract labour for the execution of our projects. The number of labourers employed by us varies from time to time based on the nature and extent of work we are involved in. Our dependence on such contract labour may result in significant risks for our operations, relating to the availability and skill of such contract labourers, as well as contingencies affecting availability of such contract labour during peak periods in labour intensive sectors such as ours. There can be no assurance that we will have adequate access to workmen at reasonable rates and in the areas in which we execute our projects. As a result, we may be required to incur additional costs to ensure timely execution of our projects.

30. ***We are dependent upon the experience of our management team and a number of KMP and senior management personnel. If we are unable to attract or retain such team, this could adversely affect our business, results of operations and financial condition.***

We are dependent on the experienced and capable management team for successful bidding and execution of our projects. Our ability to meet continued success and future business challenges depends on our ability to attract, recruit and retain experienced, talented and skilled personnel. The loss of the services of our key personnel or our inability to recruit or train a sufficient number of experienced personnel or our inability to manage the attrition levels in different employee categories may have an adverse effect on our financial results and business prospects. Further, if we cannot hire additional qualified personnel or retain them, our ability to expand our business may be impacted. As we intend to continue to expand our operations and develop new projects, we will be required to continue to attract and retain experienced personnel. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting suitable employees. There can be no assurance that our competitors will not offer better compensation incentives and other perquisites to such skilled personnel.

Further, as on the date of this Draft Red Herring Prospectus, we do not have keyman insurance policies. In the event that we are not able to attract and retain talented employees as required for conducting our business, or if we experience high attrition levels which are largely out of our control, or if we are unable to motivate and retain existing employees, our business, results of operations and financial condition may be adversely affected. For further information, see “**Our Management**” on page 142.

31. *Unsecured loans taken by us can be recalled at any time.*

Our Company have currently availed unsecured loans which may be recalled by the lenders at any time. As on September 30, 2023, the unsecured loans of our Company that may be recalled at any time by the lenders aggregated to ₹ 1685.92 lakhs, which constituted approximately 38.92% of the total indebtedness of our Company. For further details, see “**Financial Indebtedness**” beginning on page 208. In the event that any lender seeks a repayment of any such loan, we would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. We may not have adequate working capital to undertake new Projects or complete the ongoing Projects, and, as a result, any such demand by the lenders may affect our business, cash flows, financial condition and results of operations.

32. *Our inability to respond adequately to increased competition in our business may adversely affect our business, financial condition and results of operations.*

We compete with several companies and entities, as well as large domestic companies with larger projects, greater brand recognition, stronger manpower and greater financial resources and experience. We also face competition from new entrants who may have more flexibility in responding to changing business and economic conditions. The basis of competition includes, among other things, pricing, innovation, perceived value and other criteria. We have experienced price competition in the past, and there can be no assurance that such price competition will not recur in the future. Growing competition may force us to reduce our bids, which may reduce revenues and margins and/or decrease our market share, either of which could affect our results of operations. Our competitors may succeed in developing larger projects more efficiently and in time than the ones that we may develop. These developments could render us obsolete or uncompetitive, which would harm our business and financial results.

33. *Our business transactions are with government or government funded entities in India, which may expose us to risk, including additional regulatory scrutiny.*

Our business is primarily dependent on projects in the electrical contracting services or solar and allied services which are usually undertaken by government undertakings. We provide EPC services both, on a fixed-sum turnkey basis and on an item rate basis. In relation to such contracts, we may be subject to additional regulatory scrutiny associated with commercial transactions with government owned or controlled entities. Further, in certain instances, we may face delays associated with collection of receivables from government owned or controlled entities.

Our construction services contracts for Projects with government authorities are also subject to certain restrictions including technical audits by such government authorities which awarded that particular contract. If we fail to comply with a contractual or any other requirement or if there are any concerns that arise out of the audit conducted by a government entity, a variety of penalties can be imposed including monetary damages and criminal and civil penalties. As a result of this, any or all of our contracts entered into with government entities could be terminated and we could be suspended or debarred from all government contract work, or payment of our costs could be disallowed. The occurrence of any of these actions could harm our reputation and could have a material adverse effect on our business, results of operations and financial condition.

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

We propose to utilize the Net Proceeds towards Repayment in full or in part, of certain of our outstanding borrowings, Funding Capital Expenditure towards installation of additional plant and machinery for Expansion and to meet working capital requirements and general corporate purposes. For further details of the proposed objects of the Issue, see “*Objects of the Issue*” beginning on page 71. Further, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of the competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with the Companies Act, 2013 and the SEBI ICDR Regulations, we cannot undertake any variation in the utilization of the Net Proceeds as disclosed in this Draft Red Herring Prospectus without obtaining the approval of shareholders of our Company through a special resolution. In the event of any such circumstances that require us to vary the disclosed utilization of the Net Proceeds, we may not be able to obtain the approval of the shareholders of our Company in a timely manner, or at all. Any delay or inability in obtaining such approval of the shareholders of our Company may adversely affect our business or operations. Further, our Promoters would be required to provide an exit opportunity to the shareholders of our Company who do not agree with our proposal to modify the objects of the Issue, at a price and manner as prescribed by SEBI. Additionally, the requirement to provide an exit opportunity to such dissenting shareholders of our Company may deter our Promoters from agreeing to the variation of the proposed utilization of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoter will have adequate resources at their disposal at all times to enable them to provide an exit opportunity. In light of these factors, we may not be able to vary the objects of the Issue to use any unutilized proceeds of the Issue, if any, even if such variation is in the interest of our Company. This may restrict our Company’s ability to respond to any change in our business or financial condition, if any, which may adversely affect our business and results of operations.

35. The logo used by our Company is not registered under the Trade Marks Act, 1999. Failure to protect our intellectual property rights may adversely affect our competitive business position, financial condition and profitability.

Presently, our Company is using logo  and we have applied for registration of the same under the Trade Marks Act, 1999. There can be no assurance that our trademark application will be accepted and the trademark will be registered. Any other vendor in the similar line of business as ours may use the above-mentioned trademark and we may have a lesser recourse to initiate legal proceedings to protect our brand name. In the event we are not able to obtain registrations due to opposition by third parties or if any injunctive or other adverse order is issued against us in respect of our logo for which we have applied for registration, we may not be able to use such trademark and / or avail the legal protection or prevent unauthorised use of such trademark by third parties, which may adversely affect our goodwill and business. Therefore, as on date we do not enjoy the statutory provisions that are accorded to a registered trademark. Further, we may not be able to detect any unauthorized use or infringement or take appropriate and timely steps to enforce or protect our intellectual property, nor can we provide any assurance that any unauthorized use or infringement will not cause damage to our business prospects. In case we are unable to obtain the registration for the said trademark in our name, our business revenues and profitability may be impacted.

36. There are outstanding legal proceedings involving our Company which may adversely affect our business, financial conditions, and results of operations.

There are proceedings pending at different levels of adjudication before various courts, enquiry officers and appellate forums. Such proceedings could divert management’s time, attention and consume financial resources in their defence. Further, an adverse judgment in some of these proceedings could have an adverse impact on our business, financial condition, and result of operations. A summary of the outstanding proceedings involving our Company and promoters as disclosed in the Draft Red Herring Prospectus, to the extent quantifiable, have been set out below:

Litigations/ Matters involving our Company:

(₹ in lakhs)

Nature of Litigation	Number of Cases Outstanding	Amount in dispute/demanded to the extent ascertainable (Amount in lakhs)
<i>Filed by the Company</i>		
Other pending material litigations	2	48.95
<i>Against the Company</i>		
Tax Proceedings (Direct Tax)	4	45.92

Litigations/ Matters against our Promoters:

Nature of Litigation	Number of Cases Outstanding	Amount in dispute/demanded to the extent ascertainable (Amount in lakhs)
<i>Against the Promoters</i>		
Other pending material litigations	1	Unascertainable
Tax Proceedings (Direct tax)	2	2.63

Amount mentioned to the extent quantifiable. The amount may be subject to additional interest/other charges being levied by the concerned authorities which are unascertainable as on date of this Draft Red Herring Prospectus

For further details, see “**Outstanding Litigation and Material Developments**” beginning on page 226 of this Draft Red Herring Prospectus. Any adverse decisions in the aforesaid proceedings may have a material effect on our business, future financial performance and results of operations.

37. *Industry information included in this Draft Red Herring Prospectus has been derived from industry sources. There can be no assurance that such third-party statistical, financial and other industry information is complete, reliable or accurate.*

This Draft Red Herring Prospectus includes information on Industry in which we operate from various sources. For further details, please see “**Industry Overview**” beginning on page 89. The data has been furnished by independent agency on their websites and has no relationship with our Company, its Promoters, Directors, or the Book Running Lead Manager as on the date of this Draft Red Herring Prospectus. The data used in these sources may have been reclassified by us for the purposes of presentation and may also not be comparable. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction.

38. *Our Company has in the past entered into related party transactions with our Directors, Promoters and Promoter Group members/ entities, Group Companies and joint ventures and may continue to do so in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations.*

Our Company has entered into various transactions with our Directors, Promoters and Promoter Group members and Group Companies. These transactions, inter-alia include, issue of shares, remuneration, loans and advances, purchase, sales, rent expenses, reimbursement of expenses etc. For details, please refer to “**Note- AD- Related Party Disclosures**” under Section titled “**Financial Information of the Company**” and Chapter titled “**Capital Structure**” beginning on page 200 and 61 respectively of this Draft Red Herring Prospectus. Our Company has entered into such transactions due to easy proximity and quick execution on arm’s length price as per Companies Act 2013 and other applicable laws. Although all related-party transactions that we may enter into in the future are subject to approval by our Audit Committee, Board or shareholders, as required under the Companies Act, we cannot assure you that such future transactions or any other future transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operations or that we could not have achieved more favourable terms if such transactions are not entered into with related parties.

Furthermore, it is likely that we may enter into related party transactions in the future. Any future transactions with our related parties could potentially involve conflicts of interest. Accordingly, there can be no assurance that such transactions, individually or in the aggregate, will not have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.

39. *Our lenders have charge over our immovable and movable properties in respect of finance availed by us.*

We have secured our lenders by creating a charge over our movable and immovable properties in respect of Working

capital loan, term loans and bank guarantee issued to us from Kotak Mahindra Bank Limited and HDFC bank Limited. We have been extended such loan against hypothecation of our current assets. For further information on the financing and loan agreements along with the total amounts outstanding and the details of the repayment schedule, please refer to chapter *“Statement of Financial Indebtedness”* beginning on page 208 of this Draft Red Herring Prospectus.

40. *We cannot assure you that we will be able to successfully execute our growth strategies, which could affect our business prospects, results of operations and financial condition.*

As part of our growth strategy, we propose to continue our focus on increasing the size of our projects and our pre-qualification. Our growth strategies could place significant demand on our management and our administrative, technological, operational and financial infrastructure. For example, we plan to bid for larger projects where we will be required to deploy substantial capital as part of our contribution in such projects. As a result, we may be unable to maintain the quality of our services as our business grows. Our growth strategies are dependent on various circumstances, including business developments, new technologies, bidding and obtaining new contracts or unforeseen contingencies. We could also encounter difficulties and delays in executing our growth strategies due to a number of factors, including, without limitation, delays in project execution resulting in significant time and cost overruns, delays or failure in receiving government and regulatory approvals, unavailability of human and capital resources, delayed payments or non-payments by clients, failure to implement bidding strategy, failure to correctly identify market trends, increase in cost of raw material, fuel, labour etc. or any other risks that we may or may not have foreseen. There can be no assurance that we will be able to execute our growth strategy on time and within the estimated costs, or that we will meet the expectations of our clients.

In addition, if we raise additional funds for our growth through incurrence of debt, our interest and debt repayment obligations will increase, and we may be subject to additional covenants, which could limit our ability to access cash flow from operations and/or other means of financing. Further, our management may also change its view on the desirability of current strategies, and any resultant change in our strategies could put significant strain on our resources. In addition, expansion into new geographic regions within India will subject us to various challenges, including those relating to our lack of familiarity with the social, political, economic and cultural conditions of these new regions, language barriers, difficulties in staffing and managing such operations and the lack of brand recognition and reputation in such regions. Further, as we seek to diversify our regional focus, we may face the risk that our competitors may be better known in other markets, enjoy better relationships with customers and joint venture partners, gain early access to information regarding attractive projects and be better placed to bid for and be awarded such projects. Increasing competition could result in price and supply volatility, which could cause our business to suffer. There can be no guarantee that we will be able to effectively manage our entry into new geographical areas, which may have a material adverse impact on our business, financial condition and results of operation.

If we are unable to successfully execute our growth strategies, our business, prospects and results of operations could be materially and adversely affected.

41. *We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms. Our failure to obtain sufficient financing could result in delay or abandonment of our business plans and this may have an adverse effect on our growth and operations.*

We may require additional funds in connection with our future business operations. In addition to the Net Proceeds of this Issue and our internal accruals, we may need other sources of funding to meet these requirements, which may include entering into new debt facilities with lending institutions. Our ability to obtain external financing in the future is subject to a variety of uncertainties. Our ability to obtain additional financing on favourable terms, if at all, will depend on a number of factors, including our future financial condition, results of operations and cash flows, the amount and terms of our existing indebtedness, general market conditions and market conditions for financing activities and the economic, political and other conditions in the markets where we operate. If we decide to raise additional funds through the issuance of debt, our interest obligations will increase, and we may be subject to additional covenants. Such financing could cause our debt to equity ratio to increase or require us to create charges or liens on our assets in favour of lenders.

We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in delay or abandonment of our business plans and this may have an adverse effect on our future growth and operations.

42. *An inability to comply with repayment and other covenants in the financing agreements or otherwise meet our debt servicing obligations could adversely affect our business, financial condition, cash flows and credit rating.*

Our Company and Subsidiary has entered into agreements in relation to financing arrangements with certain banks for working capital facilities, term loans and bank guarantees. As of September 30, 2023, we had total outstanding borrowings of ₹ 2646.27 lakhs (Fund Based) and ₹1276.19 lakhs (Non Fund Based). The agreements with respect to our borrowings contain restrictive covenants, including, but not limited to, requirements that we obtain consent from the lenders prior to undertaking certain matters including, among others, change in capital structure of our Company subject to the threshold prescribed for the shareholding of certain shareholders of our Company and effecting change in the constitutional documents or management of our Company. For further details, see “**Financial Indebtedness**” beginning on page 208.

As on September 30, 2023, our total secured borrowings amounted to ₹ 2646.29 lakhs, comprising of 61.08% of our total indebtedness. Under the terms of our secured borrowings, we are required to create a charge by way of hypothecation on the assets of our Company, together with cash in hand and bank accounts. As these assets are hypothecated in favour of lenders, our rights in respect of transferring or disposing of these assets are restricted. There can be no assurance that we will be able to comply with the financial or other covenants prescribed under the documentation for our financing arrangements or that we will be able to obtain consents necessary to take the actions that may be required to operate and grow our business. Further, if we fail to service our debt obligations, the lenders have the right to enforce the security created in respect of our secured borrowings. If the lenders choose to enforce security and dispose our assets to recover the amounts due from us, our business, results of operations and financial condition may be adversely affected.

43. *Our insurance coverage may not adequately protect us against all losses or the insurance cover may not be available for all the losses as per the insurance policy, which could adversely affect business, results of operations and financial condition.*

Our operations are subject to various risks inherent to the installation and operation and maintenance of projects developed by us. Based on terms of our work orders, we are also required to take appropriate insurance for our Projects individually under the terms of our contracts. Accordingly, we maintain insurance policies like: Bharat Sookshma Udyam Suraksha Policy to insure our registered office, Bharat Laghu Udyam Suraksha to insure our stock, marine cargo open policy and insurance policies for our vehicles. These insurance policies are reviewed periodically to ensure that the coverage is adequate. We are also required to take appropriate insurance for our projects under the terms of our contracts. We believe that our insurance coverage is in accordance with industry custom, including the terms of and the coverage provided by such Insurances. Our policies are subject to standard limitations.

Further, our insurance policies are subject to annual review, and we cannot assure you that we will be able to renew these policies on similar or otherwise acceptable terms, or at all. If we were to incur a serious uninsured loss or a loss that significantly exceeds the limits of our insurance policies, it could have an adverse effect on our financial condition, results of operations and cash flows. While we believe that insurance coverage will be available in the future, we cannot assure you that such coverage will be available at costs and terms acceptable to us or that such coverage will be adequate with respect to future claims that may arise. Further, in the future, we may experience difficulty in obtaining insurance coverage for new Projects at favourable prices, which could require us to incur greater costs. If we are not able to adequately insure against the risks we face, or the insurance coverage we have taken is inadequate to cover our losses, our business, financial condition and results of operations could be adversely affected. Additionally, if our projects are inadequately insured or not insured at all we may face action from government authorities/bodies by way of penalties for non-compliance of contract terms. Any such action or non-compliance may affect our bids for future projects.

44. *Any Penalty or demand raised by statutory authorities in future will affect financial position of the Company*

Our Company is engaged in the manufacturing business, which attracts tax liability such as Goods and Service tax and Income tax as per the applicable provisions of Law. We are also subject to the labour laws like depositing of contributions with Provident Fund, Employee State Insurance and Professional Tax. Any demand or penalty raised by the concerned authority in future for any previous year and current year will have an additional liability. For instance, our company in the past had delayed filing of GST Returns due to operational reasons and accordingly, late fees and penalties were paid on the same. Any demand or penalty raised by the concerned authority for such late filing may affect the financial position of the company.

45. ***Our Promoters and Promoter Group will continue to retain significant control in our Company after the Issue which will allow them to influence the outcome of matters submitted to shareholders for approval. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control.***

After the completion of this Issue, our Promoters and Promoter Group will continue to hold [●] percentage of the equity share capital of our Company and will be in a position to exercise significant control, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting, and our other shareholders will be unable to affect the outcome of such voting. Our Promoters and Promoter Group may take or block actions with respect to our business, which may conflict with our interests or the interests of our minority shareholders, such as actions which delay, defer or cause a change of our control or a change in our capital structure, merger, consolidation, takeover or other business combination involving us, or which discourage or encourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of us. We cannot assure you that our Promoters and Promoter Group will act in our interest while exercising their rights in such entities, which may in turn materially and adversely affect our business and results of operations. We cannot assure you that our Promoters and Promoter Group will act to resolve any conflicts of interest in our favour. If our Promoters and Promoter Group sell a substantial number of the Equity Shares in the public market, or if there is a perception that such sale or distribution could occur, the market price of the Equity Shares could be adversely affected. No assurance can be given that such Equity Shares that are held by the Promoters will not be sold any time after the Issue, which could cause the price of the Equity Shares to decline.

46. ***Our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures.***

We have not declared any dividends on our Equity Shares in the past. The amount of our future dividend payments, if any, will depend upon factors that our Board deems relevant, including among others, our results of future earnings, financial condition, cash flows, working capital requirements, capital expenditures, applicable Indian legal restrictions and other factors. There can be no assurance that our Company will be able to pay dividends in future. For further details, please see 'Dividend Policy' on page 162 of the Draft Red Herring Prospectus.

47. ***Our employees may engage in misconduct or other improper activities, including non-compliance with regulatory standards and requirements.***

We are exposed to the risk of employee fraud or other misconduct. Misconduct by employees could include intentional failures to comply with any regulations applicable to us, to provide accurate information to regulatory authorities, to comply with manufacturing standards we have established, or to report financial information or data accurately or disclose unauthorized activities to us. In particular, sales, marketing and business arrangements in our industry are subject to laws and regulations intended to prevent fraud, misconduct, kickbacks, self-dealing and other abusive practices. These laws and regulations may restrict or prohibit a wide range of pricing, discounting, marketing and promotion, sales commission, customer incentive programs and other business arrangements. While we have not faced such instances in the past, there can be no assurance that we will be able to identify and deter such misconduct, and the precautions we take to detect and prevent this activity may not be effective in controlling unknown or unmanaged risk. If our employees engage in any such misconduct, we could face criminal penalties, fines, revocation of regulatory approvals and harm to our reputation, any of which could form a material adverse effect on our business.

48. ***We are exposed to the risks of malfunctions or disruptions of information technology systems.***

We depend on information technology systems and accounting systems to support our business processes, including designing, planning, execution, procurement, inventory management, quality control, product costing, human resources and finance. Although these technology initiatives are intended to increase productivity and operating efficiencies, they may not achieve such intended results. These systems may be potentially vulnerable to outages due to fire, floods, power loss, telecommunications failures, natural disasters, computer viruses or malware, break-ins and similar events. Effective response to such disruptions or malfunctions will require effort and diligence on the part of our third-party distribution partners and employees to avoid any adverse effect to our information technology systems.

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

We intend to use the Net Proceeds for the purposes described in "Objects of the Issue" on page 71 of this Draft Red Herring Prospectus. As on the date of this Draft Red Herring Prospectus, our funding requirements are based on

management estimates, current circumstances of our business, the prevailing market condition and other commercial and technical factors and have not been appraised by any bank or financial institution. They are based on current conditions and are subject to change in light of financial condition, business strategy and external factors such as government policies, market conditions, competitive environment and interest or exchange rate fluctuations and other external factors which may not be within the control of our management. While we will use the Net Proceeds for purposes such for funding its working capital requirements in the manner specified in “**Objects of the Issue**” on page 71.

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

Our Promoters and Promoter Group Members have given guarantees in relation to certain borrowings availed by our Company. In the event of default on such borrowings, these guarantees may be invoked by our lenders thereby adversely affecting our Promoters’ ability to manage the affairs of our Company and this, in turn, could adversely affect our business, prospects, financial condition and results of operations. Further, if any of these guarantees are revoked by our Promoters and some of our Promoter Group Members our lenders may require alternate securities or guarantees and may seek early repayment or terminate such facilities. Any such event could adversely affect our financial condition and results of operations.

51. ***Our operations are subject to risks of mishaps or accidents that could cause damage or loss to life and property and could also result in loss or slowdown in our business***

Our business operations are subject to operating risks, including fatal accidents, mishaps failure of equipment, power supply, labour disputes, natural disasters or other force majeure conditions which are beyond our control. The occurrence of any of these factors could significantly affect our results of operations and financial condition. Long periods of business disruption could result in a loss of business. Although we take precautions to minimize the risk of any significant operational problems at our operation sites, there can be no assurance that we will not face such disruptions in the future.

During the installation and maintenance period, we may be exposed to various risks which we may not be able to foresee or may not have adequate insurance coverage. Our insurance coverage may not be adequate to cover such loss or damage to life and property, and any consequential losses arising due to such events will affect our operations and financial condition. Further, in addition to the above, any such fatal accident or incident causing damage or loss to life and property, even if we are fully insured or held not to be liable, could negatively affect our reputation, thereby making it more difficult for us to conduct our business operations effectively, and could significantly affect our Order Book, in the future and our results of operations.

52. ***Excessive dependence on Kotak Mahindra Bank Limited and HDFC Bank Limited in respect of Loan facilities obtained by our Company.***

Our company has been sanctioned term loan and cash credit facilities by Kotak Mahindra Bank Limited and HDFC Bank Limited. The Company is dependent on such facilities and any default under such arrangement with such lender may create problem for operation of the Company, which may affect the financial stability of the Company. At the same time this may result into difficulty in arranging for funds for re-payment and may also adversely affect the financial position of the Company.

53. ***We are subject to certain restrictive covenants in debt facilities provided to us by our lenders.***

We have entered into agreements for availing debt facilities from lenders. Our financing arrangements contain restrictive covenants whereby we are required to obtain approval from our lenders, regarding, among other things such as major changes in share capital, management, changes in fixed assets, creation of any other charge, undertake any guarantee obligation etc. Certain covenants in these agreements require us to obtain approval/permission from our lenders in certain conditions. There can be no assurance that such consents will be granted or that we will be able to comply with the financial covenants under our financing arrangements. In the event of default or the breach of certain covenants, our lender has the option to make the entire outstanding amount payable immediately. There can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain consents necessary to take the actions that we believe are required to operate and grow our business. For further details in this regard, please refer to chapter titled “**Statement of Financial Indebtedness**” beginning on page 208 of this Draft Red Herring Prospectus.

54. *There is no monitoring agency appointed by Our Company to monitor the utilization of the Issue proceeds.*

As per SEBI (ICDR) Regulations, 2018, as amended, appointment of monitoring agency is required only for Issue size above ₹ 10,000.00 Lakhs. Hence, we have not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the stock exchange and shall also simultaneously make the material deviations/ adverse comments of the audit committee public.

55. *We have not received No Objection Certificate from all the lenders of our company.*

We have not received the no objection certificate from HDFC Bank Limited from whom we have availed secured loan. Our company has made an application with the Bank to provide us with the NOC. We are awaiting to receive the same. In case the said consent or NOC is not received in time may delay the operations. Further, in case we undertake any operation without their prior consent, our lenders may ask for repayment of amounts outstanding under such facilities, or even terminate such facilities, and as a result we may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows.

56. *The average cost of acquisition of Equity Shares by our Promoters is lower than the face value of Equity Share.*

The average cost of acquisition of Equity Shares of our Promoters is lower than the face value of Equity Shares i.e. ₹10/-. For further details regarding the average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares of our Promoters in our Company, please see section titled “*Capital Structure*” beginning on page 61 of this Draft Red Herring Prospectus.

57. *We may require further equity issuance, which will lead to dilution of equity and may affect the market price of our Equity Shares or additional funds through incurring debt to satisfy our capital needs, which we may not be able to procure and any future equity offerings by us.*

Our growth is dependent on having a strong balance sheet to support our activities. In addition to the IPO Proceeds and our internally generated cash flow, we may need other sources of financing to meet our capital needs which may include entering into new debt facilities with lending institutions or raising additional equity in the capital markets. We may need to raise additional capital from time to time, dependent on business conditions. The factors that would require us to raise additional capital could be business growth beyond what the current balance sheet can sustain; additional capital requirements imposed due to changes in regulatory regime or significant depletion in our existing capital base due to unusual operating losses. Any fresh issue of shares or convertible securities would dilute existing holders, and such issuance may not be done at terms and conditions, which are favourable to the then existing shareholders of our Company. If our Company decides to raise additional funds through the incurrence of debt, our interest obligations will increase, and we may be subject to additional covenants, which could further limit our ability to access cash flows from our operations. Such financings could cause our debt - equity ratio to increase or require us to create charges or liens on our assets in favour of lenders. We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in the delay or abandonment of our expansion plans. Our business and future results of operations may be affected if we are unable to implement our expansion strategy.

Any future issuance of Equity Shares by our Company may dilute shareholding of investors in our Company; and hence affect the trading price of our Company’s Equity Shares and its ability to raise capital through an issue of its securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Company’s Equity Shares. Additionally, the disposal, pledge or encumbrance of Equity Shares by any of our Company’s major shareholders, or the perception that such transactions may occur may affect the trading price of the Equity Shares. No assurance may be given that our Company will not issue Equity Shares or that such shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

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

The issue price of the equity shares has been based on many factors and may not be indicative of the market price of

our Equity Shares after the Issue. For further information please refer the section titled ***“Basis for Issue Price”*** beginning on page 79 of the Draft Red Herring Prospectus. The market price of our Equity Shares could be subject to significant fluctuations after the Issue in case of unfavourable situation it, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price.

59. *Certain data mentioned in this Draft Red Herring Prospectus has not been independently verified.*

We have not independently verified data from industry publications contained herein and although we believe these sources to be reliable, we cannot assure that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regard to other countries. Therefore, discussions of matters relating to India and its economy are subject to the limitation that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete or unreliable.

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

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Bidders can revise their Bids during the Bid/Issue Period and withdraw their Bids until Bid/Issue Closing Date. While we are required to complete Allotment, listing and commencement of trading pursuant to the Issue within three (3) Working Days from the Bid/ Issue Closing Date, events affecting the Bidders' decision to invest in our Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows and financial condition may arise between the date of submission of the Bid and Allotment, listing and commencement of trading. We may complete the Allotment, listing and commencement of trading of our Equity Shares even if such events occur and such events may limit the Bidders' ability to sell our Equity Shares Allotted pursuant to the Issue or may cause the trading price of our Equity Shares to decline on listing. Retail Individual Investors can revise their Bids during the Bid/Issue Period and withdraw their Bids until Bid/Issue Closing Date. While our Company is required to complete all necessary formalities for listing and commencement of trading of the Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed including Allotment pursuant to the Issue within three Working Days from the Bid/Issue Closing Date, events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the Bidders' ability to sell the Equity Shares Allotted pursuant to the Issue or cause the trading price of the Equity Shares to decline on listing

EXTERNAL RISK FACTORS

1. *Financial instability in both Indian and international financial markets could adversely affect our results of operations and financial condition.*

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Financial turmoil in Asia, Russia and elsewhere in the world in recent years has adversely affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows. Further, economic developments globally can have a significant impact on our principal markets. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy. Recent developments in the ongoing conflict between Russia and Ukraine has resulted in and may continue to result in a period of sustained instability across global financial markets, induce volatility in commodity prices, increase borrowing costs, cause outflow of capital from emerging markets and may lead to overall slowdown in economic activity in India. In addition, China is one of India's major trading partners and there are rising concerns of a possible slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse impact on the trade

relations between the two countries.

2. *Our business and results of operations could be adversely affected by disruptions in global economic and geo political conditions.*

As substantially all of our operations are dependent on our customers who have their head offices or parent companies situated outside India, our financial performance and growth are necessarily dependent on economic conditions prevalent globally. The global economy may be materially and adversely affected by political instability or regional conflicts; a general rise in interest rates; inflation; exchange rate fluctuations; changes in tax, trade, and monetary policies; occurrence of natural or man-made disasters; downgrade in debt rating; and adverse economic conditions occurring elsewhere in the world, such as a slowdown in economic growth in China, the repercussions of the United Kingdom exit from the European Union and other matters. While the Indian economy has grown significantly in recent years, it has experienced economic slowdowns in the past due to global economic and geo political conditions. The Indian economy in particular could be adversely impacted by inflationary pressures, currency depreciation, the poor performance of its large agricultural and manufacturing sectors, trade deficits, recent initiatives by the Indian government and other factors. Unfavourable changes in the above factors or in other business and economic conditions affecting our customers could result in a corresponding decline in our business

3. *We are exposed to risks associated with fluctuation in metal prices or shortages in supply of electric components.*

Our manufacturing activities depend on fluctuation in metal prices, being one of the important raw materials and supply of electric components. Changes in macroeconomic conditions generally impact these industries and could negatively impact our business or profitability. Accordingly, our business is highly dependent on the state of development of the Indian economy and the macroeconomic environment prevailing in India. Changes in government policies that may have adverse effect on the development associated industries, may have an adverse impact on our business.

4. *If certain labour laws become applicable to us, our profitability may be adversely affected.*

India has stringent labour legislations that protect the interests of workers, including legislation that sets forth detailed procedures for dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. Any change or modification in the existing labour laws may affect our flexibility in formulating labour related policies.

5. *The continuing effect of the COVID-19 pandemic on our business, results of operations and financial condition is highly uncertain and cannot be predicted.*

The outbreak, or threatened outbreak, of any severe communicable disease (particularly COVID-19) could adversely affect the overall business sentiment and environment, particularly if such outbreak is inadequately controlled. The outbreak of COVID-19 has resulted in authorities implementing several measures such as travel bans and restrictions, quarantines and lockdowns. These measures have impacted and may further impact our workforce and operations, the operations of our consumers. In case there is a rapid increase in severe cases of infections leading to deaths, where the measures taken by governments are not successful or are any bans imposed by the government in this regard are lifted prematurely, may cause significant economic disruption in India and in the rest of the world. If any of our employees were suspected of contracting COVID-19 or any other epidemic disease, this could require us to quarantine some or all of these employees or disinfect the facilities. In addition, our revenue and profitability could be impacted to the extent that a natural disaster, health epidemic or other outbreak harms the Indian and global economy in general. The outbreak has significantly increased economic uncertainty. It is likely that the current outbreak or continued spread of COVID-19 will cause an economic slowdown and it is possible that it could cause a global recession.

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

The performance and growth of our business are necessarily dependent on economic conditions prevalent in India, which may be materially and adversely affected by centre or state political instability or regional conflicts, a general rise in interest rates, inflation, and economic slowdown elsewhere in the world or otherwise. There have been periods of slowdown in the economic growth of India. India's economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports (oil and oil products), global economic uncertainty and liquidity crisis, volatility in exchange currency rates and annual

rainfall which affects agricultural production. Any continued or future slowdown in the Indian economy or a further increase in inflation could have a material adverse effect on the price of our raw materials and demand for our products and, as a result, on our business and financial results. The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the U.S. and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability, including the financial crisis and fluctuations in the stock markets in China and further deterioration of credit conditions in the U.S. or European markets, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business and financial results.

7. *Changing laws, rules and regulations and legal uncertainties in India, including adverse application of tax laws and regulations, may adversely affect our business and financial performance.*

Our business and financial performance could be adversely affected by changes in law or interpretations of existing, or the promulgation of new, laws, rules and regulations in India applicable to us and our business. For further details please refer to the chapter ***“Government and Other Approvals”*** on page 229 for details of the laws currently applicable to us. The governmental and regulatory bodies in India and other jurisdictions where we operate may notify new regulations and/or policies, which may require us to obtain approvals and licenses from the government and other regulatory bodies, or impose onerous requirements and conditions on our operations, in addition to those which we are undertaking currently. Any such changes and the related uncertainties with respect to the implementation of new regulations may have a material adverse effect on our business, financial condition, results of operations and cash flows.

In addition, unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment laws governing our business, operations and investments in our Company by non-residents, could result in us being deemed to be in contravention of such laws and/or may require us to apply for additional approvals. Tax and other levies imposed by the central and state governments in India that affect our tax liability include central and state taxes and other levies, income tax, turnover tax, goods and services tax, stamp duty and other special taxes and surcharges which are introduced on a temporary or permanent basis from time to time. The final determination of our tax liabilities involves the interpretation of local tax laws and related regulations in each jurisdiction as well as the significant use of estimates and assumptions regarding the scope of future operations and results achieved and the timing and nature of income earned and expenditures incurred. We are involved in various disputes with tax authorities. For details of these disputes, see ***“Outstanding Litigation and Material Developments”*** on page 226. Moreover, the central and state tax scheme in India is extensive and subject to change from time to time.

Any change in Indian tax laws could have an effect on our operations. For instance, the Taxation Laws (Amendment) Ordinance, 2019, a new tax ordinance issued by India's Ministry of Finance on September 20, 2019, prescribes a number of changes to the income tax rate applicable to companies in India. According to this new ordinance, companies can henceforth voluntarily opt for a concessional tax regime (subject to no other special benefits/exemptions being claimed), which would ultimately reduce the effective tax rate for Indian companies. Any such future amendments may affect other benefits such as an exemption for income earned by way of dividend from investments in other domestic companies and units of mutual funds, exemption for interest received in respect of tax-free bonds, and long-term capital gains on equity shares if withdrawn by the statute in the future, and the same may no longer be available to us. Any adverse order passed by the appellate authorities/ tribunals/ courts would influence our profitability.

The Finance Act, 2022 (“Finance Act”), has, amongst others things, provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime and that dividend distribution tax (“DDT”), will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non- resident and are likely to be subject to tax deduction at source. The Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source from such dividend. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares. Further, the Government of India has notified the Finance Act, 2023, which has introduced various amendments to taxation laws in India. There is no certainty on the impact that the Finance Act may have on our business and operations or on the industry in which we operate. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to

resolve and may impact the viability of our current business or restrict our ability to grow our business in the future.

8. *Instability in financial markets could materially and adversely affect our results of operations and financial condition.*

The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States of America or Europe, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets. The global financial turmoil, an outcome of the sub-prime mortgage crisis which originated in the United States of America, led to a loss of investor confidence in worldwide financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil, evident from the sharp decline in SENSEX, BSE's benchmark index. Any prolonged financial crisis may have an adverse impact on the Indian economy and us, thereby resulting in a material and adverse effect on our business, operations, financial condition, profitability and price of our Equity Shares.

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

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

10. *Government regulation of foreign ownership of Indian securities may have an adverse effect on the price of the Equity Shares.*

Foreign ownership of Indian securities is subject to government regulation. Under foreign exchange regulations currently in effect in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the rupees proceeds from the sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the Income Tax authorities. There can be no assurance that any approval required from the RBI or any other government agency can be obtained.

11. *Our performance is linked to the stability of policies and the political situation in India.*

The Government of India has traditionally exercised, and continues to exercise, a significant influence over many aspects of the economy. Our business, and the market price and liquidity of our Equity Shares, may be affected by interest rates, changes in government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. Any political instability in India may adversely affect the Indian securities markets in general, which could also adversely affect the trading price of our Equity Shares. Any political instability could delay the reform of the Indian economy and could have a material adverse effect on the market for our Equity Shares. There can be no assurance to the investors that these liberalization policies will continue under the newly elected government. Protests against privatization could slow down the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting companies in the industrial equipment manufacturing sectors, foreign investment, currency exchange rates and other matters affecting investment in our securities could change as well. A significant change in India's economic liberalization and deregulation policies could disrupt business and economic conditions in India and thereby affect our business.

CAPITAL STRUCTURE

13. Capital Build-up in respect of Shareholding of our Promoters

As on the date of this Draft Red Herring Prospectus, Our Promoters Ketanbhai Narsinhbhai Patel, Rajendrakumar Narsinhbhai Patel Niravkumar Sureshbhai Patel and Shilpaben Ketanbhai Patel collectively holds 1,72,50,000 Equity Shares of our Company. None of the Equity Shares held by our Promoters are subject to any pledge.

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

Date of Allotment and made fully paid up/ Transfer	No. of Equity Shares	Face Value Per Share (₹)	Issue/ Acquisition/ Transfer Price (₹)	Consideration	Nature of Issue	Pre-Issue Shareholding % (adjusted as per face value)	Post-Issue Shareholding % (adjusted as per face value)
(A) Ketanbhai Narsinhbhai Patel							
May 30, 2019	4,000	10	10	Cash	Subscriber to MOA	0.02	[●]
December 17, 2020	7,14,000	10	10	Cash	Right Issue	3.92	[●]
September 05, 2023	(24,000)	10	-	-	Transfer of shares by way of Gift ⁽ⁱ⁾	(0.13)	[●]
September 18, 2023	97,16,000	10	-	-	Bonus in the ratio of 14:1	53.36	[●]
Total (A)	1,04,10,000					57.17	[●]
(B) Rajendrakumar Narsinhbhai Patel							
May 30, 2019	2,000	10	10	Cash	Subscriber to MOA	0.01	[●]
December 17, 2020	2,38,000	10	10	Cash	Right Issue	1.31	[●]
September 05, 2023	(24,000)	10	-	-	Transfer of shares by way of Gift ⁽ⁱⁱ⁾	(0.13)	[●]
September 18, 2023	30,24,000	10	-	-	Bonus in the ratio of 14:1	16.61	[●]
Total (B)	32,40,000					17.79	[●]
(C) Niravkumar Sureshbhai Patel							
May 30, 2019	2,000	10	10	Cash	Subscriber to MOA	0.01	[●]
December 17, 2020	2,38,000	10	10	Cash	Right Issue	1.31	[●]
September 05, 2023	(24,000)	10	-	-	Transfer of shares by way of Gift ⁽ⁱⁱⁱ⁾	(0.13)	[●]
September 18, 2023	30,24,000	10	-	-	Bonus in the ratio of 14:1	16.61	[●]
Total (C)	32,40,000					17.79	[●]
(D) Shilpaben Ketanbhai Patel							
September	24000	10	-	-	Transfer of	0.13	[●]

Date of Allotment and made fully paid up/ Transfer	No. of Equity Shares	Face Value Per Share (₹)	Issue/ Acquisition/ Transfer Price (₹)	Consideration	Nature of Issue	Pre-Issue Shareholding % (adjusted as per face value)	Post-Issue Shareholding % (adjusted as per face value)
05, 2023					shares by way of Gift		
September 18, 2023	3,36,000	10	-	-	Bonus in the ratio of 14:1	1.85	[●]
Total (D)	3,60,000	10				1.98	[●]
Grand Total (A+B+C+D)	1,72,50,000					94.73	[●]

Note: None of the Shares has been pledged by our Promoters.

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

Sr. No.	Name of the Promoters	No. of Shares held	Average cost of Acquisition (in ₹)
1.	Ketanbhai Narsinhbhai Patel	1,04,10,000	0.69
2.	Rajendrakumar Narsinhbhai Patel	32,40,000	0.74
3.	Niravkumar Sureshbhai Patel	32,40,000	0.74
4.	Shilpaben Ketanbhai Patel	3,60,000	0.00

15. Shareholding of Promoters & Promoter Group

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

Sr. No.	Names	Pre-IPO		Post-IPO	
		Shares Held	%	Shares Held	%
	Promoters				
1	Ketanbhai Narsinhbhai Patel	1,04,10,000	57.17	1,04,10,000	[●]
2	Rajendrakumar Narsinhbhai Patel	32,40,000	17.79	32,40,000	[●]
3	Niravkumar Sureshbhai Patel	32,40,000	17.79	32,40,000	[●]
4	Shilpaben Ketanbhai Patel	3,60,000	1.98	3,60,000	[●]
	Sub Total (A)	1,72,50,000	94.73	1,72,50,000	[●]
	Promoter Group				
5	Ashaben Rajendrakumar Patel	3,60,000	1.98	3,60,000	[●]
6	Khushbu Niravkumar Patel	3,60,000	1.98	3,60,000	[●]
7	Dhanjibhai Narsinhbhai Patel	2,40,000	1.31	2,40,000	[●]
	Sub Total (B)	9,60,000	5.27	9,60,000	[●]
	Grand Total (A+B)	1,82,10,000	100.00	1,82,10,000	[●]

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

Date of Allotment/ Transfer	Name of Shareholders	No. of Equity Share	% of Pre issue Capital	Allotted/ Acquire/ Transfer	Category of Allottees (Promoters/ Promoter Group/ Director)
September 05, 2023	Ketanbhai Narsinhbhai Patel	(24,000)	(0.13)	Transfer	Promoter/ Director
	Niravkumar Sureshbhai Patel	(24,000)	(0.13)	Transfer	Promoter/ Director
	Rajendrakumar Narsinhbhai Patel	(24,000)	(0.13)	Transfer	Promoter/ Director
	Shilpaben Ketanbhai Patel	24,000	0.13	Acquire	Promoter / Director
	Khushbu Niravkumar Patel	24,000	0.13	Acquire	Promoter Group
	Ashaben Rajendrakumar Patel	24,000	0.13	Acquire	Promoter Group
September 15,	Dhanjibhai Narsinhbhai Patel	14,000	0.08	Allotted	Promoter Group

Date of Allotment/ Transfer	Name of Shareholders	No. of Equity Share	% of Pre issue Capital	Allotted/ Acquire/ Transfer	Category of Allottees (Promoters/ Promoter Group/ Director)
2023					
September 18, 2023	Ketanbhai Narsinhbhai Patel	2,24,000	1.23	Allotted	Promoter/ Director
	Niravkumar Sureshbhai Patel	97,16,000	53.36	Allotted	Promoter/ Director
	Rajendrakumar Narsinhbhai Patel	30,24,000	16.61	Allotted	Promoter/ Director
	Shilpaben Ketanbhai Patel	30,24,000	16.61	Allotted	Promoter / Director
	Khushbu Niravkumar Patel	3,36,000	1.85	Allotted	Promoter Group
	Ashaben Rajendrakumar Patel	3,36,000	1.85	Allotted	Promoter Group
	Dhanjibhai Narsinhbhai Pate	3,36,000	1.85	Allotted	Promoter Group

18. Details of Promoter's Contribution Locked-in for Three Years

As on the date of this Draft Red Herring Prospectus, our Promoters collectively holds 1,72,50,000 Equity Shares constituting 94.73% of the Issued, subscribed and paid-up Equity Share Capital of our Company.

OBJECTS OF THE ISSUE

Requirement of Funds and Utilization of Net Proceeds

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

S. No.	Particulars	Amount (₹ in Lakhs)
1.	Repayment in full or in part, of certain of our outstanding borrowings	1300.00
2.	Funding Capital Expenditure towards installation of additional plant and machinery at our factory	303.86
3.	Funding to meet working capital requirements	3500.00
4.	General Corporate Purpose	[•]
	Total	[•]

Details of Utilization of Net Proceeds**Repayment in full or in part, of certain of our outstanding borrowings**

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

Name of Lender	Purpose	Loan/ Agreement A/c No./Ref. No.	Sanctioned Amount (Rs in lakhs)	Rate of interest	Primary & Collateral Security	Re-Payment Schedule	Moratorium	Outstanding amount as on 30.09.2023	Date of Loan
HDFC Bank Limited	Cash Credit	50200058041191	1500.00	10.4 3M TBILL +Spread, T bill prevailing at the time of loan booking will be applicable	Note – 1*	Repayable on demand	N.A.	1469.08	April 12, 2021
Total								1469.08	

1. Funding Capital Expenditure towards installation of additional plant and machinery

Our Company intends to make capital expenditure towards installation of additional machinery and Equipment at our factory situated at Survey No. -319 (Old Block Survey No. 319, 320, 321 Industrial factory Building at Mouje: Tundali, Taluka: Mahesana, District: Mahesana. Our Company proposes to use part of net proceeds to the extent to Rs. 303.86 Lakhs to meet capital expenditure in relation to installation of MBB PV cell soldering stringer (AM050FS). Our company is preparing to acquire the MBB Tab & Stringer soldering machine (Dual track) with an advanced kit featuring an extended 16BB half-cell capability. The new machinery has higher capacity to cut Half Cut cells per hour. These machines are specifically crafted to elevate our manufacturing processes, enhancing production capabilities, efficiency, and product quality. This initiative is anticipated to yield significant benefits across various dimensions of our operations like: Technological Advancement, Increased Production Capacity, Enhanced Product Quality, Operational Efficiency, Cost-Effectiveness, Sustainability. The increased production capacity ensures that we can scale operations to meet future demands without significant additional investments in new machinery.

A detailed breakup of estimated cost which are proposed to be funded from the net issue proceeds is set forth below:

S. No.	Equipment	Equipment details	Quantity	Quotation Amt. (₹ in Lakhs)	Quotation Details	Validity
1.	MBB PV Cell Soldering Stringer AM050FS, with integrated NDC cutter	MBB Tab & Stringer soldering machine (Dual track) With 10BB 1/2 kit With micro gap tool	1	274.73	Quotation Dated December 19, 2023 From Wuxi Autowell Supply Chain Management Co., Ltd, China	30 days
2.	String EL Inspection	Dual track EL system	1	14.15		
3.	16BB Half Cell Kit	To process 16BB half cell	1	24.98		
4.	consumables Kit worth of 10,000USD	consubles Parts	1	8.33		
5.	Setup & installation fee	Install, Set up, Ramp up, Commissioning and production sustain	1	9.37		
6.	Wood package and vacuum packaging	suitable for oversea shipment	1	3.75		
7.	Shipment	FOB	1	1.67		
Total FOB				336.95		
Special Price				303.86		

The Quotation was received in USD. Conversion rate: 1 USD = ₹83.25 as on December 22, 2023. Reference: <https://www.rbi.org.in/scripts/ReferenceRateArchive.aspx>

Notes:

- We have considered the above quotations for the budgetary estimate purpose and have not placed orders for them. The actual cost of procurement and actual supplier/dealer may vary.
- Quotation received from the vendor mentioned above is valid as on the date of this Draft Red Herring Prospectus. However, we have not entered into any definitive agreements with any of the vendor and there can be no assurance that the same vendor would be engaged to eventually supply the machineries/equipment or at the same costs.
- The machinery/equipment models and quantity to be purchased are based on the present estimates of our management. The Management shall have the flexibility to revise such estimates (including but not limited to change of vendor or any modification/addition/deletion of machineries or equipment) at the time of actual placement of the order. In such case, the Management can utilize the surplus of proceeds, if any, arising at the time of actual placement of the order, to meet the cost of such other machinery, equipment or utilities, as required. Furthermore, if any surplus from the proceeds remains

after meeting the total cost of machineries, equipment and utilities for the aforesaid purpose, the same will be used for our general corporate purposes, subject to limit of 25% of the amount raised by our Company through this Issue.

- We are not acquiring any second-hand machinery.
- The quotations relied upon by us in arriving at the above cost are valid for a specific period of time and may lapse after the expiry of the said period. Consequent upon which, there could be a possible escalation in the cost of machineries proposed to be acquired by us at the actual time of purchase, resulting in increase in the estimated cost. Further, cost will be escalated on account of freight expenses, installation charges, packaging & forwarding, custom duty etc. Such cost escalation would be met out of our internal accruals.

Details of Estimation of Working Capital requirement are as follows:

(Rs. In lakhs)

Sr. No.	Particulars	FY 21	FY 22	FY 23	30/09/2023	FY 24	FY 25
		Audited	Audited	Audited	Audited	Estimated	Projected
I	Current Assets						
	Inventories	849.89	702.57	1,509.16	2,740.47	2,820.00	4,211.00
	Trade Receivables	873.91	2,337.28	1,962.68	2,251.28	3,850.00	5,924.00
	Short term loans and advances	318.96	385.21	219.42	289.80	461.06	1,190.00
	Other Current Assets	3,085.65	4,311.08	4,012.62	3,194.67	4,455.20	6,088.55
	Total (A)	5,128.41	7,736.13	7,703.88	8,476.21	11,586.26	17,413.55
II	Current Liabilities						
	Trade Payables	2,978.77	1,793.77	1,841.06	1,973.41	2,678.00	2,978.00
	Other Current Liabilities	463.21	2,084.09	377.41	405.45	310.00	179.46
	Short term Provisions	0.65	0.97	231.08	186.56	277.23	389.00
	Total (B)	3,442.63	3,878.83	2,449.55	2,565.42	3,265.23	3,546.46
III	Total Working Capital Gap (A-B)	1,685.79	3,857.30	5,254.33	5,910.79	8,321.03	13,867.09
IV	Funding Pattern						
	Short term Borrowings & Internal Accruals	1,685.79	3,857.30	5,254.33	5,910.79	6,821.03	11,867.09
	IPO Proceeds					1500.00	2,000.00

Assumptions for working capital requirements

The following table sets forth the details of the holding period (with days rounded to the nearest whole number) considered for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021, as well as projections for financial year ended March 31, 2024 and March 31, 2025.

Particulars	Unit	Audited	Audited	Audited	Audited	Estimated	Provisional
		March 31, 2021	March 31, 2022	March 31, 2023	September 30, 2023	March 31, 2024	March 31, 2025
Debtors	Days	45	56	92	69	60	60
Creditors	Days	207	137	104	90	60	45
Inventories	Days	60	43	73	90	60	60

Justification:

Debtors	Over the past few fiscal years (FY 2021 to FY 2023), this cycle has typically spanned from 45 to 92 days. As we currently engage in Engineering, Procurement, and Construction (EPC) and Manufacturing of solar PV modules, the specific terms of our work orders and tenders provide variations in our debtor cycle. To support our company's growth ambitions, we are aiming to adjust our debtor holding period to approximately 60 days of total revenue from operations for Fiscal 2024 and Fiscal 2025. This adjustment aligns with our strategy to expand operations while ensuring financial sustainability. We
----------------	---

	intend to maintain the credit period for our customers, giving them enough time to pay their invoices. We believe this approach will not only help increase our sales but also strengthen our relationships with customers over time.
Creditors	Past trends of our trade payables holding days have spanned from 104 to 207 days. However, with increased working capital, we're aiming to cut this to 45-60 days for Fiscal 2024 and 2025, yielding multiple advantages. Primarily, quicker settlements enable us to leverage cash discounts from suppliers, enhancing our profitability. Additionally, prompt payments empower us to negotiate more favourable terms and prices, fostering stronger supplier relations and bolstering our bottom line. Furthermore, many of our purchases rely on imported supplies, often necessitating advance payments. Timely settlements not only solidify our long-term relationships with suppliers but also ensure the continuity of our supply chain. By shortening our payables cycle, we're not only improving financial stability but also fortifying relationships with suppliers and securing advantageous deals for our company's growth.
Inventories	In our primary business of EPC, procuring inventories in large quantities is essential to fulfil project needs. Given that our projects are frequently located in remote regions, managing multiple logistics poses a consistent challenge. Consequently, we intend to maintain an inventory for 60 days, encompassing both raw materials and finished goods. Historically, our inventory holding days have fluctuated between 45 and 90 days from Fiscal 2021 to Fiscal 2023. To ensure the continuity and expansion of our business operations, we project maintaining inventory holding days within the range of 60 days for Fiscal 2024 and Fiscal 2025. This strategic approach aligns with our goal of sustaining growth while efficiently managing inventory levels to meet project demands effectively.

4. General Corporate Purpose

Our Company intends to deploy the balance Net Proceeds towards general corporate purposes, subject to such utilization not exceeding 25% of the Gross Proceeds, in accordance with Regulation 230(2) of the SEBI ICDR Regulations, to drive our business growth, including, amongst other things, (i) funding growth opportunities, including strategic initiatives; (ii) meeting any expenses incurred in the ordinary course of business by the Company; (iii) servicing of borrowings including payment of interest; (iv) brand building and other marketing expenses; (v) meeting of exigencies which our Company may face in the course of any business; and (vi) any other purpose as permitted by applicable laws and as approved by our Board or a duly appointed committee thereof.

We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further in case, our actual issue expenses turn to be lesser than the estimated issue expenses of ₹ [●] lakhs, such surplus amount shall be utilized for General Corporate Purpose in such a manner that the amount for general corporate purposes, as mentioned in the Draft Red Herring Prospectus, shall not exceed 25% of the amount raised by our Company through this Issue.

OUR BUSINESS

Our Company is led by our Promoters, Ketanbhai Narsinhbhai Patel and Rajendrakumar Narsinhbhai Patel having an overall experience of more than two decades each and Niravkumar Sureshbhai Patel and Shilpaben Ketanbhai Patel having an overall experience of more than a decade each in the associated industry.

Our Strengths

We offer a diversified range of solutions

We are strategically well placed to run various business verticals under one umbrella. Our diversified range of products and solutions cater to renewable energy industry, water supply and electrical contracting. Our core competencies include bidding for EPC projects and manufacturing of Solar PV Modules with focus on successful delivery of quality products. We believe that our focus on maintaining quality across our business verticals and on continuous technological upgradation of our process, together with our extensive sales and marketing efforts have enabled us to expand our operations over the years. Our diversification of revenue across multiple industries allow us to prevent any possible customer concentration in any of our categories. This strategy helps us to increase revenue streams, improve margins, and minimize business risk. With our track record and wide product portfolio, we have been able to retain our existing customers and have also been able to attract new customers.

Our revenue from operations from various business verticals is as under:

(Rs in lakhs)

Particular	For the six months ended September-2023	% of revenue	March 31,2023	% of revenue	March 31,2022	% of revenue	March 31,2021	% of revenue
PV Module Sales	2526.04	43.01%	0	0.00%	0	0.00%	0	0.00%
Solar System & Allied Services	1369.68	23.32%	2503.56	27.76%	6118.48	57.97%	7411.74	89.01%
Electrical contracting services	1640.32	27.93%	5104.32	56.59%	1814.16	17.19%	859.36	10.32%
Water Supply Scheme Projects	337.45	5.75%	`	15.65%	2620.21	24.83%	51.93	0.62%
Other operating revenues	0	0.00%	0.1	0.00%	0.83	0.01%	3.75	0.05%
TOTAL	5873.49	100.00%	9019.91	100.00%	10553.67	100.00%	8326.78	100.00%

Experienced Promoters and senior management team.

Our Promoters, Ketanbhai Narsinhbhai Patel, Rajendrakumar Narsinhbhai Patel, Niravkumar Sureshbhai Patel and Shilpaben Ketanbhai Patel have around 25 years, 24 years, 11 years and 17 years of experience in the industry and have been instrumental in driving our growth since inception of our business. We believe that our senior management team has extensive experience in the commissioning of and operating manufacturing capacities, finance, sales, business development and strategic planning in the industry. The vision and foresight of our management enables us to explore and seize new opportunities and accordingly position ourselves to introduce new products to capitalize on the growth opportunities in the sector.

For details on the qualifications and experience of our Promoters and senior management team, please refer to section titled "**Our Management**" beginning on page 142 of this Draft Red Herring Prospectus.

Expansion of our geographical footprint

In the last 10 years we have successfully completed 17 projects in the solar system and allied services and 7 projects in the electrical contracting services across 8 states of India viz: Rajasthan Gujarat, Maharashtra, Bihar, Uttar Pradesh, Jharkhand, Chattisgarh, Madhya Pradesh. We gradually intend to expand our business operations to other regions of the country. We plan to continue our strategy of diversifying and expanding our presence in these regions for the growth of our business. We are

selective in expanding to new locations and look at new geographies where we can deliver quality services without experiencing significant delays and interruptions due of local considerations. Through further diversification of our operations geographically, we hope to hedge against risks of operations in only specific areas and protection from fluctuations resulting from business concentration in limited geographical areas.

Our revenue from operations from various states in India is as under:

(Rs in lakhs)

Particular	For the six months ended 30 September-2023	% of revenue	March 31,2023	% of revenue	March 31,2022	% of revenue	March 31,2021	% of revenue
Gujarat	1982.62	33.76%	4290.13	47.56%	832.97	7.89%	251.46	3.02%
Rajasthan	301.91	5.14%	1959.9	21.73%	5991.39	56.77%	2941.63	35.33%
Maharashtra	0	0.00%	528.15	5.86%	0	0.00%	841.67	10.11%
Bihar	149.46	2.54%	672.84	7.46%	933.11	8.84%	2358.23	28.32%
Chhattisgarh	0	0.00%	118.99	1.32%	1150.53	10.90%	1873.99	22.51%
Madhya Pradesh	95.23	1.62%	444.09	4.92%	1612.9	15.28%	59.8	0.72%
Jharkhand	45.69	0.78%	489.5	5.43%	32.76	0.31%	0	0.00%
Uttar Pradesh	3298.58	56.16%	516.29	5.72%	0	0.00%	0	0.00%
TOTAL	5873.49	100.00%	9019.91	100.00%	10553.67	100.00%	8326.78	100.00%

The details of Revenue bifurcation based on its Government and Non-Government Customers disclosed below:

(Rs in lakhs)

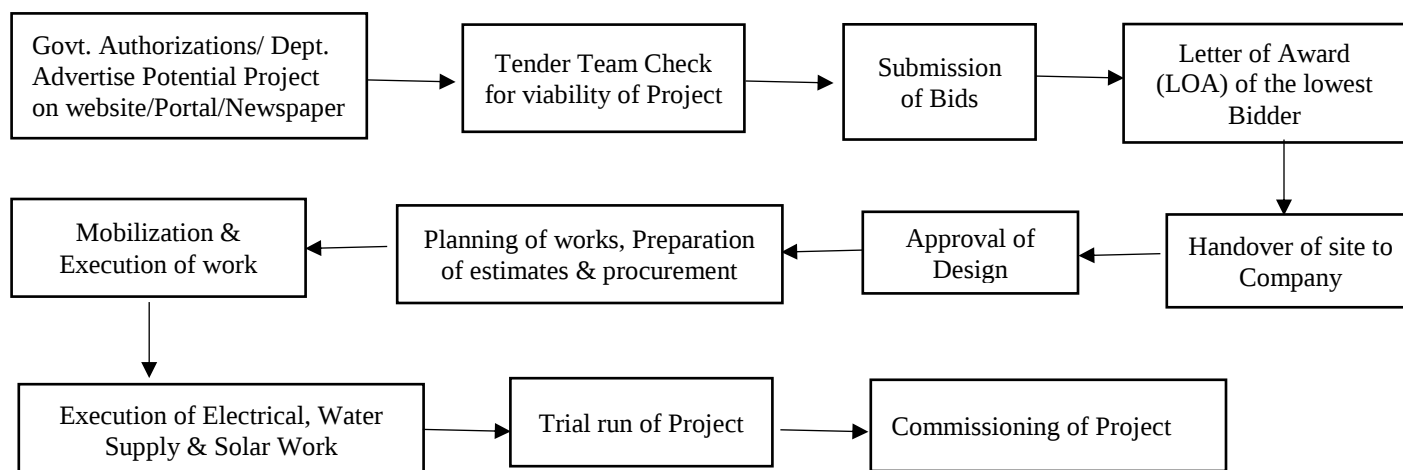
Category	2020-21	2021-22	2022-23	30-Sep-23
Government	4669.05	4390.25	2308.61	1335.41
Non-Government	3657.73	6163.42	6711.29	4538.07
Grand Total	8326.78	10553.67	9019.91	5873.49

The details of Revenue bifurcation based on its customers acquisition modes as disclosed below:

(Rs in lakhs)

Category	2020-21	2021-22	2022-23	30-Sep-23
Bids	4,733.03	4,390.26	2,309.84	2,497.73
Sub-contract	3593.75	6163.42	6386.20	848.19
B2B	-	-	323.86	2527.56
Grand Total	8,326.78	10,553.67	9,019.91	5,873.49

OUR OPERATIONS:



RAW MATERIALS

Raw material and components required for each type of EPC Services is as under:

- Solar System & Allied Services: solar led battery light, Solar PV module, solar fan, Solar lithium ion battery, Solar MC4 connector and other auxiliary products.
- Electrical Contracting Services: cement, electrical pole, transformer, vacuum circuit breakers, electrical wires, inverters, insulators and other auxiliary products.
- Water Supply Scheme Projects: submersible pump, electrical motor, stabilizers, water tank iron structure and other auxiliary products.

Manufacturing of Solar PV module requires components like: solar cells, backsheet, encapsulant, glass and other auxiliary products.

Raw material procurement and control encompass sourcing, acquiring, and managing materials necessary for EPC services and manufacturing of solar PV modules in an organized and effective manner. This includes securing major raw materials from suppliers in India, as well as procuring select materials from suppliers in China. Details of raw materials purchases is as under:

(Rs. In Lakhs)

Particulars	September 30, 2023	% of Total	FY 22-23	% of Total	FY 21-22	% of Total	FY 20-21	% of Total
Domestic	3614.74	100%	6044.59	100%	6171.00	94.62	4571.50	96.934
Import	0	0	0	0	350.65	5.38	144.64	3.066
Total	3614.74	100%	6044.59	100%	6521.65	100%	4716.14	100%

SALES AND MARKETING

EPC Services:

We have a dedicated team for tenders who diligently scan newspapers, government websites, and various portals for upcoming government projects. They thoroughly review project specifications, eligibility criteria, experience requirements, and locations,

and then discuss these projects with management to proceed further. Consulting with the project team, they organize site visits, compile bills of materials, estimate costs, and once all parameters are met, they submit bids with the necessary documentation. Upon bid opening, they relay all details to the project manager for work execution. The project manager then devises a comprehensive roadmap and allocates manpower for project completion.

Sale of PV Solar Modules:

Our sales and marketing team takes the initiative to reach out to potential customers through a variety of channels, including email, social media platforms, and phone calls. Meanwhile, customer inquiries flow in through multiple channels, such as phone calls, emails, social media, and our website. Our Sales Department promptly attends to these inquiries, ensuring seamless communication throughout the sales process. Upon receiving inquiries, our sales team collaborates closely with the engineering team to craft comprehensive estimates, covering various aspects like quotations, packaging, freight, and more. Following this, the quotation undergoes negotiation with the client, seeking approval from management. Upon approval of the quotation, we receive the purchase order from the client and initiate planning and scheduling of our manufacturing and delivery processes. To stay abreast of evolving market trends and customer preferences, our sales and marketing team maintains regular contact with customers. We remain committed to adapting and innovating to meet the dynamic demands of the solar industry, ensuring we continue to provide the best solutions and services to our valued customers.

Immovable Property:

Sr. No.	Particulars	Use	Term of Lease	Amount	Status (Owned/rented)
1.	G-201 and F-202, S.G. Business Hub, Near Gota Flyover, S G Highway, Gota, Ahmedabad – 382470 Gujarat	Registered Office	11 month 29 days	Rs 1.5 lakhs per month	Leave and License from Ketanbhai Narsinbhai Patel
2.	Survey No. -319 Old Block Survey No. 319, 320, 321 Industrial factory Building at Mouje: Tundali, Taluka : Mahesana, District : Mahesana	Factory Unit	5 Years	Rs 0.50 lakhs per month	Lease from Souraj Energy Private Limited

HISTORY AND CORPORATE STRUCTURE

Joint Ventures:

Our Company, from time to time, enters into certain operational and financial joint ventures for the purposes of bidding and execution of projects. Some of these are business joint ventures and not incorporated as separate entities. As on date of this Draft Red Herring Prospectus we have one joint venture of our Company, details of which are as under:

Sr. No.	Name of the Joint Ventures	Date of the Joint Venture	Parties to the Joint Venture	Name of the Project	Company's share in the Joint Venture
1.	PIGL GEPL JV	March 13, 2021	The first party to the Joint Venture is Power and Instrumentation (GUJ) Limited and the second party is Ganesh Electricals Private Limited.	Planning, Design, Engineering, Construction, Fabrication, Erection, Supply, Installation, Testing and Commissioning of all Civil, Structural Solar and Electrical works.	50%

Other Agreements:

i. Non-Compete Agreement:

Our Company has not entered into any Non-compete Agreement as on the date of filing of this Draft Red Herring Prospectus.

ii. Joint Venture Agreement:

Except as disclosed under the heading “**Joint Ventures**” on page 138 of this Draft Red Herring Prospectus, our Company has not entered into any Joint Venture Agreement as on the date of filing of this Draft Red Herring Prospectus.

OUR MANAGEMENT

Brief Profile of Directors:

Shilpaben Ketanbhai Patel aged 44 years is the Non- Executive Director and promoter of our Company. She has completed Bachelor of Law in the year 2019 from Hemchandracharya North Gujarat University, Patan. She has an experience of 17 years in the filed of law and compliance. Presently, she looks after CSR activities in the Company.

BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL

Mr. Krunalkumar Dayaljibhai Shah is the Chief Financial Officer of our company. He had joined the company as Accounts and Finance Manager in the year 2020 and is currently responsible for finance and taxation matters of the company. He had completed M. Com from Gujarat University in the year 2010 and has an overall experience of 13 years in the field of accounting.

Palakben Mahesh Joshi is the Company Secretary and Compliance Officer of our Company. She is an associate member of the Institute of Company Secretaries of India from the year 2015 and had completed Bachelor of Law Gujarat University in the year 2008 (Special law). She is currently responsible for the overall Corporate Governance and secretarial Compliance of our Company and has an overall experience of around 7 years in the field of Secretarial and Corporate Affairs.

OUR PROMOTERS & PROMOTER GROUP

A. OUR PROMOTERS:

The promoters of our Company are Ketanbhai Narsinhbhai Patel, Nirav Sureshbhai Patel, Rajendrakumar Narsinhbhai Patel and Shilpaben Ketanbhai Patel.

As on date of this Draft Red Herring Prospectus, the Promoters, in aggregate, holds 1,72,50,000 Equity shares of our Company, representing 94.73% 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 in respect of Shareholding of our Promoters*", on page 61 of this Draft Red Herring Prospectus.

Brief Profile of our Promoters are as under:

	Shilpaben Ketanbhai Patel, aged 44 years, is one of our Promoter and is also the on Non-Executive Director our Board. For further details, i.e., her date of birth, residential address, educational qualifications, experience in business or employment, business and financial activities, special achievements, positions/posts held in the past and other directorships, see "<i>Our Management –Brief profile of Directors</i>" on page 142 of this Draft Red Herring Prospectus Other ventures of our Promoters- Company: Souraj Industries Pvt. Ltd. Proprietorship Firm: Ved Electricals & Pump Service LLP: Souraj Minchem LLP Except as disclosed above and as set out in the chapter titled '<i>Our Management</i>' on page 142 of this Draft Red Herring Prospectus, our Promoters are not involved with any other venture, as a shareholder/ stakeholder, proprietor, partner, promoters or director. Her permanent account number is BARPP4652B For details of his shareholding, please see "<i>Capital Structure</i>" on page 61 of this Draft Red Herring Prospectus.
--	---

Interest of our Promoters:

i. Interest in promotion and shareholding of Our Company:

Our Promoters are interested in the promotion of our Company and also to the extent of their shareholding and shareholding of their relatives, from time to time, for which they are entitled to receive dividend payable, if any, and other distribution in respect of the Equity Shares held by them and their relatives. As on the date of this Draft Red Herring Prospectus, our Promoters, Ketanbhai Narsinhbhai Patel, Rajendrakumar Narsinhbhai, Nirav Sureshbhai Patel and Shilpaben Ketanbhai Patel collectively holds 1,72,50,000 Equity Shares in our Company i.e., 94.73% of the pre issue paid up Equity Share Capital of our Company. Our Promoters may also be deemed to be interested to the extent of the remuneration, as per the terms of their appointment and reimbursement of expenses payable to them and unsecured loan advanced to/ taken from them, if any. For details, please refer to **Note – AD- "*Related Party Transactions*"** beginning on page 200 of this Draft Red Herring Prospectus

For details regarding the shareholding of our Promoters in our Company, please see "*Capital Structure*" on page 61 of this Draft Red Herring Prospectus.

Experience of Promoters in the line of business:

Our Promoters, Ketanbhai Narsinhbhai Patel and Rajendrakumar Narsinhbhai, have an overall experience of more than two decades and Nirav Sureshbhai Patel and Shilpaben Ketanbhai Patel have an overall experience of more than a decade. The Company shall also endeavor to ensure that relevant expertise is sought as and when required in the future.

B. OUR PROMOTER GROUP

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

(a) Natural persons i.e., an immediate relative of the promoters (i.e., any spouse of that person, or any parent, brother, sister or child of the person or of the spouse);

As per Regulation 2(1) (pp) (ii) of the SEBI (ICDR) Regulations, 2018, the Natural persons who are part of the Promoter Group (due to their relationship with the Promoters) are as follows:

Relationship with Promoters	Name of the Relatives			
	Ketanbhai Narsinhbhai Patel	Nirav Sureshbhai Patel	Rajendrakumar Narsinhbhai Patel	Shilpaben Ketanbhai Patel
Father	Narsinhbhai Lakhubhai Patel	Sureshbhai Gopalbhai Patel	Narsinhbhai Lakhubhai Patel	Kantilal Narayandas Patel
Mother	Late Jyotiben Patel	Subhadraaben Sureshbhai Patel	Late Jyotiben Patel	Sitaben K Patel
Spouse	Shilpaben Ketanbhai Patel	Khushbu Niravkumar Patel	Ashaben Rajendrakumar Patel	Ketanbhai Narsinhbhai Patel
Brother	Rajendrakumar Narsinhbhai Patel	-	Ketanbhai Narsinhbhai Patel	Vishalbhai Kantilal Patel
	Chandubhai N Patel	-	Chandubhai N Patel	-
	Dhanjibhai Narsinhbhai Patel	-	Dhanjibhai Narsinhbhai Patel	-
	Mahesh N Patel	-	Mahesh N Patel	-
Sister	Subhadraaben Sureshbhai Patel	Dhruva Sureshbhai Patel	Subhadraaben Sureshbhai Patel	Komalben Kantilal Patel
	Kokilaben Sureshbhai Patel		Kokilaben Sureshbhai Patel	Sonalben Jayeshkumar Patel
	Falguniben Rajnikant Patel		Falguniben Rajnikant Patel	-
Son	Ved Ketanbhai Patel	Shanay Niravkumar Patel	Vraj Rajendrakumar Patel	Ved Ketanbhai Patel
Daughter	Diya Ketanbhai Patel	-	Nirma Rajendrakumar Patel	Diya Ketanbhai Patel
Spouse's Father	Kantilal Narayandas Patel	Pravinbhai Ratilal Patel	Ishwarbhai Narayandas Patel	Narsinhbhai Lakhubhai Patel
Spouse's Mother	Sitaben K Patel	Nayanaben Purshottamdas Patel	Paliben Ishwarbhai Patel	Late Jyotiben Patel
Spouse's Brother	Vishalbhai Kantilal Patel	-	Vipulkumar Ishwarbhai Patel	Rajendrakumar Narsinhbhai Patel
	-	-	-	Chandubhai N Patel
	-	-	-	Dhanjibhai Narsinhbhai Patel
	-	-	-	Mahesh N Patel
Spouse's Sister	Komalben Kantilal Patel	-	Arunaben Maheshbhai Patel	Subhadraaben Sureshbhai Patel

Relationship with Promoters	Name of the Relatives			
	Ketanbhai Narsinhbhai Patel	Nirav Sureshbhai Patel	Rajendrakumar Narsinhbhai Patel	Shilpaben Ketanbhai Patel
	Sonalben Jayeshkumar Patel		Nitaben Bharatbhai Patel	Kokilaben Sureshbhai Patel
			Jyotsnaben Bipinchandra Patel	Falguniben Rajnikant Patel
			Premilaben Vipulkumar Patel	

(b) Corporate Entities or Firms forming part of the Promoter Group:

As per Regulation 2(1)(pp)(iv) of the SEBI (ICDR) Regulations, 2018, the following entities would form part of our Promoter Group:

Sr. No.	Nature of Relationship	Name of Entities
A.	Any Body Corporate in which 20% or more of the Equity Share Capital is held by Promoter or an immediate relative of the Promoter or a firm or Hindu Undivided Family (HUF) in which Promoter or any one or more of his immediate relatives are a member.	1. Souraj Industries Private Limited 2. Souraj Energy Private Limited 3. Harikrupa Solar and Engineering Private Limited 4. Sadashiv Projects India Private Limited 5. Siko Energy Private Limited 6. Souraj Minchem LLP 7. Ganesh Corporation (Aust) Pty Ltd
B.	Any Body Corporate in which a body corporate as provided in (A) above holds twenty per cent or more, of the equity share capital.	-
C.	Any Hindu Undivided Family or firm in which the aggregate share of the promoter and their relatives is equal to or more than twenty per cent of the total capital.	Proprietorship: 1. Harikrupa Submersible Pump & Tubewell 2. Ambica Submersible Pump Service 3. Ved Electricals & Pump Service Partnership Firms: 1. Harikrupa Solar and Engineering 2. Shoolin Developers 3. Pushpam Construction

SECTION VI – FINANCIAL INFORMATION OF THE COMPANY

Note - B

RESTATED STATEMENT OF LONG-TERM BORROWINGS

(Rs. In Lakhs)

Particulars	30 Sept 2023	31 March 2023	31 March 2022	31 March 2021
	Consolidated	Consolidated	Consolidated	Standalone
Secured Term loans from banks	866.71	98.27	10.37	0
Less: Current Maturities of Term Loan	(143.96)	(49.21)	(4.77)	0
	722.74	49.05	5.59	0.00
Unsecured Loans and advances from related parties	1683.23	892.87	408.22	728.34
Unsecured Term loans from banks	59.01	76.13	106.20	67.78
Less: Current Maturities of Term Loan	(36.34)	(36.63)	(31.34)	(12.10)
	22.67	39.50	74.86	55.67
Total	2428.64	981.42	488.68	784.01

The terms and conditions and other information in respect of Secured Loans and Unsecured Loans are given in NOTE-B (A), NOTE B (B) and NOTE B(C).

Note - D

RESTATED STATEMENT OF SHORT TERM BORROWINGS

(Rs. In Lakhs)

Particulars	30 Sept 2023	31 March 2023	31 March 2022	31 March 2021
	Consolidated	Consolidated	Consolidated	Standalone
Current Maturities of Term Loan	143.96	49.21	4.77	0.00
Secured Loans repayable on demand				
Bank Overdraft/Cash Credit from banks	1720.57	1671.62	1722.27	251.34
Current Maturities of Unsecured loan from bank	36.34	36.63	31.34	12.10
Unsecured Loans and advances from related parties	2.69	0.00	0.00	0.00
Total	1903.57	1757.47	1758.38	263.45

The terms and conditions and other information in respect of Secured Loans and Unsecured Loans are given in NOTE-B (A), NOTE B (B) and NOTE B (C)

RESTATED STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY
B(A). Secured Term loans from banks

(Rs in lakhs)

Name of Lender	Purpose	Primary & Collateral Security	Sanctioned Amount	Rate of interest	Re-Payment Schedule	Outstanding amount as on 30.09.2023 as per Books	Outstanding amount as on 31.03.2023 as per Books	Outstanding amount as on 31.03.2022 as per Books	Outstanding amount as on 31.03.2021 as per Books
Axis Bank Ltd.	Cash Credit *	Exclusive hypothecation charge over current and movable fixed assets of the company (Both present and future.	250.00	11.75%	Repayable On Demand	251.48	251.64	253.15	251.34
HDFC Bank Ltd.	Cash Credit	Exclusive hypothecation Book debts, Fd As Margin, Fd As Margin For 3rd Party Bg, Fd For Adhoc Bg Line, Lc From Other Bank, Stock	1500.00	10.4%	Repayable On Demand	1,469.08	1,419.99	1,469.12	0.00
HDFC Bank Ltd.	Vehicle Loan/Hydraulic JRD	Hypothecation of Used Commercial Equipment Loan	21.08	9.50%	36 monthly instalments of Rs. 67,540 each commencing from Nov'22	15.26	18.50	0.00	0.00
HDFC Bank Ltd.	Vehicle Loan/Fortuna	Hypothecation of Used Commercial Equipment Loan	34.86	9.50%	36 monthly instalments of Rs. 1,11,670 each commencing from Nov'22	25.24	30.59	0.00	0.00
HDFC Bank Ltd.	Vehicle	Hypothecation	32.63	9.50%	36 monthly	23.62	28.63	0.00	0.00

	Loan/Tata Dumper	of Used Commercial Equipment Loan			instalments of Rs. 1,04,530 each commencing from Nov'22				
Kotak Mahindra Bank	Vehicle Loan/Hydraulic Sunny	Hypothecation of Construction Equipment - Excavator	23.72	10.65%	18 monthly instalments of Rs. 1,43,150 each commencing from Oct'22	8.32	16.21	0.00	0.00
HDFC Bank Ltd.	Vehicle Loan/KIA SALTOS	Hypothecation of Vehicle - KIA	14.44	7.50%	36 monthly instalments of Rs. 44,917 each commencing from May'21	3.07	5.59	10.37	0.00
HDFC Bank Ltd.	Working Capital Term Loan	Exclusive hypothecation Book debts, Stock, Plant and Machinery and Fixed Deposit	1000.00	11.57%	57 monthly instalments of Rs. 21,97,136 each commencing from Feb'22 to Apr'27 and 5,95,827.14 from May'27	791.19	0.00	0.00	0.00
Total						2,587.27	1,771.15	1,732.64	251.34

* Cash Credit borrowing from Axis Bank Ltd is closed as on 10-Nov-2023.

Collateral Security on AXIS Bank Ltd - Cash Credit

Exclusive Collateral in the form of FDR @ 40% duly lien marked in favour of axis bank for CC upfront and For BG as per utilization

Collateral Security on HDFC Bank Ltd - Cash Credit

Commercial Office at No 101, Block G, SG Business Hub, Gota, Ahmedabad Gujarat 380061

Commercial Office at No 201& 202, Block No.F, SG Business Hub, Gota, Ahmedabad Gujarat 380061

Commercial Office at Shop/unit No.6,006/a,006b,006c Sg Business Hub, Gota, Ahmedabad Gujarat 380061

Collateral Security on HDFC Bank Ltd - Cash Credit and Working Capital Term Loan

Commercial-Office at G 14, Chinmay Tower, Ground Floor, Subhash Chowk, Ahmedabad, Gujarat 380052

Vacant Land at Survey No 412, 420 and 421, Bechraji, Mehsana, Chandanki, Gujarat 384210

Industrial Estates with Industrial Activity at R S No 319, Tundli Mehsana Gujarat 384003

Residential Flat at D 103, Astha Home, 1st Floor, Science City Road, Sola, Ahmedabad Gujarat 380060

Personal Guarantee of AXIS Bank Ltd - Cash Credit

Niravkumar Sureshbhai Patel

Ketanbhai Narsinhbhai Patel,

Rajendrakumar Narsinhbhai Patel

Guarantee on HDFC Bank Ltd - Cash Credit**Corporate Guarantee**

Souraj Energy Private Limited

Personal Guarantee

Kundan kumar Babulal Patel,

Harshil Mahendrabhai Patel,

Ketan Narsinhbhai Patel

Guarantee on HDFC Bank Ltd - Cash Credit and Working Capital Term Loan**Corporate Guarantee**

GANESH GREEN BHARAT LIMITED (Formerly Known as GANESH ELECTRICALS PRIVATE LIMITED)

Personal Guarantee

Niravkumar Sureshbhai Patel

Ketanbhai Narsinhbhai Patel,

Rajendrakumar Narsinhbhai Patel

B(B). Unsecured Loans and advances from related parties

Following are the amounts due to Directors / Promoters / Promoters Group / Relatives of Promoter / Relatives of Directors / Entities having significance influence / Subsidiaries / Key Managerial Personnel / Group Companies:

Particulars	Purpose	Repayment	Rate	Outstandi ng amount as on 30.09.2023 as per Books	Rate	Outstandi ng amount as on 31.03.2023 as per Books	Rate	Outstandi ng amount as on 31.03.2022 as per Books	Rate	Outstandi ng amount as on 31.03.2021 as per Books
Long term borrowing from Director										
- Ketanbhai Narsinhbhai Patel	Business Loan	Payable on Demand	9.50 %	1,204.00	9.00 %	308.93	8.50 %	13.62	8.50 %	286.06
- Niravkumar Sureshbhai Patel	Business Loan	Payable on Demand	9.50 %	101.21	9.00 %	101.78	8.50 %	39.89	8.50 %	285.58
- Rajendrakumar Narsinhbhai Patel	Business Loan	Payable on Demand	9.50 %	378.02	9.00 %	172.07	8.50 %	40.11	8.50 %	54.03
Long term borrowing from Related Parties										
- Dhanjibhai Narsinhbhai patel	Business Loan	Payable on Demand	9.50 %	0.00	0.00 %	310.09	8.50 %	314.59	8.50 %	102.67
Short term borrowing from Related Parties										
- Dhanjibhai Narsinhbhai patel	Business Loan	Payable on Demand	9.50 %	2.69	9.00 %	0.00	0.00 %	0.00	0.00 %	0.00

List of persons / entities / classified as 'Promoters', 'Relatives of Promoters', 'Promoter Group' and 'Group Companies' has been determined by the management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

B(C). Unsecured Loans and advances from bank

Name of Lender	Purpose	Sanctioned Amount	Rate of interest	Re-Payment Schedule	Outstanding amount as on 30.09.2023 as per Books	Outstanding amount as on 31.03.2023 as per Books	Outstanding amount as on 31.03.2022 as per Books	Outstanding amount as on 31.03.2021 as per Books
HDFC Bank Ltd.	Vehicle Loan/Hitachi Hydraulic Excavator	61.38	7.74%	36 monthly instalments of Rs. 1,91,600 each commencing from Sept'21	20.28	30.76	50.53	0.00
Punjab national bank	Vehicle	31.00	7.55%	60 monthly	14.36	16.69	22.41	27.95

	Loan/Endeavour			instalments of Rs. 62,191 each commencing from Sept'20				
Punjab national bank	Vehicle Loan/FORTUNER	28.90	9.20%	100 monthly instalments of Rs. 41,486 each commencing from July'19	17.67	18.68	20.49	23.33
Punjab national bank	Vehicle Loan/Endeavour	20.00	7.95%	60 monthly instalments of Rs. 40,504.95 each commencing from Feb'20	6.70	8.74	12.77	16.49
Total					59.01	74.87	106.20	67.78

Note: Company had not filed Registration of charges or satisfaction with Registrar of Companies. As on date, Company has no charges against this loan. Due to this, Company disclosure these loans as unsecured loan.

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

Our Company is led by our Promoters, Ketanbhai Narsinhbhai Patel, Rajendrakumar Narsinhbhai Patel having an overall experience of more than two decades in the associated industry and Niravkumar Sureshbhai Patel and Shilpaben Ketanbhai Patel having an overall experience of more than a decade in the associated industry.

Discussion on Result of Operations

Over the past three fiscal years, our company has experienced fluctuations in both revenue and PAT margins. In FY 22, despite higher revenue, there was a decrease in PAT, while in FY 23, PAT increased despite lower revenue. These changes were primarily driven by rising raw material costs due to increased demand for solar cells globally and operational challenges, including COVID-19 disruptions, which led to increase in labour costs and increase in material costs.

To address the challenges faced in FY 22, we implemented measures such as cost optimization, renegotiation of supply contracts, and prioritization of higher-margin projects in FY 23. Examples of some of the high margins projects undertaken by the company include EPC work for Solar water pumping system in the Solar and Allied Services and Substation work in the Electrical Contracting Services. For details of such work orders completed in past please refer ***“Our Order Book”*** in the section titled ***“Our Business”*** on page 112 of the DRHP. Moreover supply of solar PV modules also attracts higher margins and we have recently received orders for the supply of Solar PV Modules to SJVNL Green Energy Limited scheduled for execution in FY 2024. Additionally, the company has secured an order for Supply and Installation of SPV Power Project order from SJVNL Green Energy Limited worth approx. Rs 6000 lakhs. Furthermore, these orders and adjustments made in response to the pandemic and market dynamics have enhanced our financial resilience and operational efficiency. Specifically, projects like the supply of solar modules and EPC orders for Supply and Installation of Solar Power Project have proven to be particularly offering higher margins compared to other endeavours. Therefore, we are actively pursuing similar orders to ensure sustained profitability in the future. Additionally, streamlining project execution and effectively reducing overheads contributed to enhanced financial performance.

Information required as per Item (II)(C)(iv) of Part A of Schedule VI to the SEBI Regulations:

An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:

1. Unusual or infrequent events

The impact of COVID 19 pandemic which occurred in past affected the supply chain in our business operations and accordingly the financial position of the company. Any unusual or infrequent events like: COVID 19, if occurred in future may affect the future operations and performance of the company.

2. Significant economic changes that materially affected or are likely to affect income from continuing operations

There are no significant economic changes that may materially affect or likely to affect income from continuing operations.

3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.

Apart from the risks as disclosed under Section “Risk Factors” beginning on page 26 of the Draft Red Herring Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

4. Future changes in relationship between costs and revenues

Other than as described in the sections “Risk Factors”, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 26, 102 and 215 respectively, to our knowledge, no future relationship between expenditure and income is expected to have a material adverse impact on our operations and finances.

5. **Segment Reporting**

Our company operates in a single product segment. For details on geographical segment please refer “*Annexure IV*” forming part of “*Financial Information of the Company*” on page 175 of the Draft Red Herring Prospectus.

6. **Status of any publicly announced New Products or Business Segment**

Except as disclosed in the Chapter “Our Business”, our Company has not announced any new product or service.

7. **Seasonality of business**

Our business is not subject to seasonality. For further information, see “*Industry Overview*” and “*Our Business*” on pages 89 and 102 respectively.

8. **Dependence on single or few customers**

Our business is substantially dependent on projects awarded by government authorities. We derive almost all of our revenue from work orders awarded to us. Our business could be materially and adversely affected if there are adverse changes in the policies and delays in awarding contracts by these authorities, among other risks. For further details, see “*Risk Factors - We bid for projects funded by the Central and State Governments and derive our revenues from the work orders awarded to us. Any reduction in budgetary allocation to our industry sector may affect the number of projects that the government authorities/bodies may plan to develop in a particular period. Our business is directly and significantly dependent on projects awarded by them*” on page 29.

9. **Competitive conditions**

Competitive conditions are as described under the Chapters “*Industry Overview*” and “*Our Business*” beginning on pages 89 and 102 respectively of this Draft Red Herring Prospectus.

10. **Details of material developments after the date of last balance sheet i.e., September 30, 2023**

After the date of last Balance sheet i.e., September 30, 2023, the following material events have occurred after the last audited period:

1. A special resolution was passed by the shareholders at the Extra Ordinary General Meeting held on October 09, 2023 for alteration in the main object and a Certificate of Registration of the Special Resolution Confirming Alteration of Object Clause(s) pursuant to change of object was issued by the Registrar of Companies, Ahmedabad vide its letter dated October 11, 2023.
2. A special resolution was passed by the shareholders at the Extra Ordinary General Meeting held on October 09, 2023 for change of name of the Company from “Ganesh Electricals Private Limited” to “Ganesh Green Bharat Private Limited” and a fresh certificate of incorporation pursuant to change of name was issued by the Registrar of Companies, Ahmedabad vide its letter dated October 11, 2023.
3. A special resolution passed by the shareholders at the Extra Ordinary General Meeting held on October 11, 2023, the status of our Company was changed from Private Limited Company to Public Limited Company consequent the name of the company was changed from “Ganesh Green Bharat Private Limited” to “Ganesh Green Bharat Limited” and a Certificate of Incorporation Consequent upon conversion to public company was issued by the Registrar of Companies, Ahmedabad dated October 13, 2023.
4. We have passed a Resolution in the meeting of Board of Directors dated October 25, 2023 authorizing the Board of Directors to raise funds by making an Initial Public Offering.
5. We have passed a special resolution in the Extra-ordinary General meeting dated October 31, 2023 authorizing the Board of Directors to raise funds by making an Initial Public Offering.

6. Our company has approved the audited consolidated financial statements for the Financial Year ending March 31, 2022 in the Board meeting dated October 27, 2023.
7. Our Company has approved the Restated Financial Statements for the stub period ending September 30, 2023 and for the financial year ended March 31, 2023, March 31, 2022 and March 31, 2021 in the Board meeting dated December 26, 2023.
8. Our Company has approved the Draft Red Herring Prospectus vide resolution in the Board Meeting dated January 16, 2024.

FINANCIAL YEAR 2023 COMPARED TO FINANCIAL YEAR 2022

Total Income:

Total income for the financial year 2022-23 stood at Rs 7239.98 Lakhs whereas in Financial Year 2021-22 the same stood at Rs. 2689.41 Lakhs representing an increase of 169.20%. The main reason of increase was increase in the volume of business operations of the company both Domestic and Export sales.

Revenue from Operations

During the financial year 2022-23 the net revenue from operation of our Company decrease to Rs. 9019.91 Lakhs as against Rs. 10553.67 Lakhs in the Financial Year 2021-22 representing an decrease of (14.53%). The main reason of decrease was due to decrease in the revenue from EPC from 10552.19 Lakhs in the Financial Year 2021-22 as compared to Rs. 8530.31 Lakhs in the financial year 2022-23 representing a decrease of (14.53%).

Other Income:

During the financial year 2022-23 the other income of our Company decreased to Rs.39.62 Lakhs as against Rs. 58.43 lakhs in the Financial Year 2021-22 representing an decrease of (32.20%) which was due to Decrease in income from (i) Interest on FDR income of Rs. 37.22 lakhs in the financial year 2022-23 as compared to Rs. 54.85 lakhs in financial year 2021-22 which amount to decrease of (32.14%) (ii) Dividend, Commission and Forex exchange gain of Nil in the financial year 2022-23 as compared to Rs. 0.09, 1.01, 2.32 lakhs respectively in financial year 2021-22 which amount to decrease of 100%.

Total Expenses

The total expense for the financial year 2022-23 Decrease to Rs. 7956.57 Lakhs from Rs. 9908.48 lakhs in the Financial Year 2021-22 representing a decrease of (19.70%). Such decrease was due to Decrease in the volume of business operations of the Company.

Cost of Raw Material consumed

The Cost of material consumed for the financial year 2022-23 decreased to Rs. 6044.59 lakhs from Rs. 6521.65 lakhs in the Financial Year 2021-22 representing a decrease of (7.32%). Such decrease was due to increase in closing stock of materials from Rs 702.57 lakhs in financial year 2021-2022 to Rs 1511.88 lakhs in financial year 2022-2023 representing an increase of 115.19%.

Employee benefits expense:

Our Company has incurred Rs. 574.39 Lakhs as Employee benefits expense during the financial year 2022-23 as compared to Rs. 400.18 Lakhs in the financial year 2021-22. The decrease of (30.33%) was due to decrease in (i) Salaries and wages of Rs. 141.39 lakhs in the financial year 2022-23 as compared to Rs. 151.43 lakhs in financial year 2021-22 which amount to decrease of (6.63%), (ii) Remuneration to Directors of Rs. 230.00 lakhs in the financial year 2022-23 as compared to Rs. 395.00 lakhs in financial year 2021-22 which amount to decrease of (41.77%), (iii) Contribution to PF & other Funds of Rs. 2.14 lakhs in the financial year 2022-23 as compared to Rs. 2.38 lakhs in financial year 2021-22 which amount to decrease of (10.19%) (iv) Expenses related to ESIC and other of Rs. 0.78 lakhs in the financial year 2022-23 as compared to Rs. 1.03 lakhs in financial year 2021-22 which amount to decrease of (24.37%)

Finance Costs:

Our Company has incurred Rs. 255.86 Lakhs as finance cost during the financial year 2022-23 as compared to Rs. 229.06 Lakhs in the financial year 2021-22. The increase of 11.70% was due to increase in loan.

Depreciation and Amortization Expenses:

Depreciation for the financial year 2022-23 stood at Rs. 76.54 Lakhs as against Rs. 51.87 Lakhs during the financial year 2021-22. The increase in depreciation was around 47.56% which was due to addition in vehicles.

Other Expenses:

Our Company has incurred Rs. 1179.40 Lakhs during the Financial Year 2022-23 on other expenses as against Rs. 2531.51 Lakhs during the financial year 2021-22. There was an decrease of (53.41%) mainly due (i) Decrease in contract expenses for labour by (69.92%) from Rs. 1811.83 lakhs in financial year 2021-22 to Rs. 544.94 lakhs in financial year 2022-23, (iii) decrease in Site expenses by (5.77%) from Rs. 178.39 lakhs in financial year 2021-22 to Rs. 168.10 lakhs in financial year 2022-23, (iv) decrease in Tender fees by (42.58%) from Rs. 15.94 lakhs in financial year 2021-22 to Rs. 9.15 lakhs in financial year 2022-23 (v) decrease in Freight by (42.09 %) from Rs. 130.21 lakhs in financial year 2021-22 to Rs 75.40 lakhs in financial year 2022-23 (vi) decrease in Expenses related to import purchase by (100%) from Rs. 53.81 lakhs in financial year 2021-22 to Rs. Nil in financial year 2022-23 (vii) decrease in Auditors remuneration by (11.68%) from Rs. 2.91 lakhs in financial year 2021-22 to Rs. 2.57 lakhs in financial year 2022-23, (viii) decrease in Advertisement and business promotion by (40.94%) from Rs.12.53 lakhs in financial year 2021-22 to Rs. 7.40 lakhs in financial year 2022-23, (ix) decrease in Consultancy fees by (24.37%) from Rs.8.20 lakhs in financial year 2021-22 to Rs. 6.20 lakhs in financial year 2022-23, (x) decrease in Petrol and Diesel Expenses by (22.66%) from Rs.77.09 lakhs in financial year 2021-22 to Rs. 59.62 lakhs in financial year 2022-23, (xi) Decrease in Insurance, Legal and Testing Fees by (14.28%), (68.23%), (87.77%) respectively from Rs.6.86 Lakhs, 4.25 lakhs, 27.24 Lakhs respectively in financial year 2021-22 to Rs. 5.88 lakhs, 1.35 Lakhs, 3.33 Lakhs respectively in financial year 2022-23, (xii) decrease in Electricity Expenses by (64.71%) from Rs.14.52 lakhs in financial year 2021-22 to Rs. 5.12 lakhs in financial year 2022-23. However, the decrease was partially offset by increase in some other items.

Restated Profit before tax:

Net profit before tax for the financial year 2022-23 increased to Rs. 1102.95 Lakhs as compared to profit of Rs 703.62 Lakhs in the financial year 2021-22. The increase of 56.75% was majorly due to factors as mentioned above.

Restated profit after tax:

As a result of the above factors, our profit after tax for the year increase by 579.15% from net loss of Rs. (180.15) Lakhs in financial year 2021-22 to net profit Rs. 863.19 lakhs in financial year 2022-23. Consequently, our PAT Margin expanded to 12.06% in financial year 2022-23 from (6.84) % in financial year 2021-22.

OUR GROUP COMPANIES

Details of our Group Company:

1. Siko Energy Private Limited

Siko Energy Private Limited was incorporated on June 04, 2019 under the Companies Act, 2013 pursuant to a certificate of incorporation issued by the Registrar of Companies, Central Registration Centre

CIN	U36999GJ2019PTC108501
PAN	ABCCS1680A
Address	2 3 4 Tirupati Market, Modhera Chokadi, Mehsana-384002 Gujarat, India

Shareholding pattern:

Sr. No.	Name of the shareholder	No. of shares	% holding
1.	Harshkumar Maheshbhai Patel	50,000	12.50
2.	Maheshbhai Narsinhbhai Patel	50,000	12.50
3.	Amit Ambalal Patel	1,00,000	25.00
4.	Ambalal Jorabhai Patel	1,00,000	25.00
5.	Ketan Narsinhbhai Patel	50,000	12.50
6.	Nirakumar Sureshbhai Patel	50,000	12.50
	Total	4,00,000	100.00%

OTHER REGULATORY AND STATUTORY DISCLOSURES

Statement on Price Information of Past Issues handled by Hem Securities Limited:

Sr. No.	Issue name	Issue size (₹ in Cr.)	Issue Price (₹)	Listing date	Opening Price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing
SME*								
1.	Madhusudan Masala Limited	23.80	70.00	September 26, 2023	120.00	65.43% [-4.11%]	72.86% [9.03%]	N.A.
2.	Saakshi Medtech And Panels Limited	45.16	97.00	October 03, 2023	146.00	155.10% [-2.03%]	115.05% [11.33%]	N.A.
3.	Arabian Petroleum Limited	20.24	70.00	October 09, 2023	77.40	5.71% [-0.35%]	38.86% [10.25%]	N.A.
4.	E Factor Experiences Limited	25.92	75.00	October 09, 2023	115.00	112.80% [-0.35%]	117.53% [10.25%]	N.A.
5.	Paragon Fine and Speciality Chemical Limited	51.66	100.00	November 03, 2023	225.00	80.20% [7.57%]	N.A.	N.A.
6.	Deepak Chemtex Limited	23.04	80.00	December 06, 2023	152.00	44.19% [3.69%]	N.A.	N.A.
7.	S J Logistics (India) Limited	48.00	125.00	December 19, 2023	175.00	N.A.	N.A.	N.A.
8.	Siyaram Recyling Industries Limited	22.96	46.00	December 21, 2023	55.00	N.A.	N.A.	N.A.
9.	Shanti Spintex Limited	31.25	70.00	December 27, 2023	76.00	N.A.	N.A.	N.A.
10.	Shri Balaji Valve Components Limited	21.60	100.00	January 03, 2024	190.00	N.A.	N.A.	N.A.

*Hem Securities Limited, BRLM, has not carried out any Main Board Issues.

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Addendum is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Addendum are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Ketanbhai Narsinhbhai Patel Chairman & Managing Director DIN: 07499411	Sd/-

Date: March 15, 2024

Place: Ahmedabad

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Addendum is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Addendum are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Rajendrakumar Narsinhbhai Patel Whole-Time Director DIN: 07498445	Sd/-

Date: March 15, 2024

Place: Ahmedabad

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Addendum is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Addendum are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Niravkumar Sureshbhai Patel Whole-Time Director DIN: 07498377	Sd/-

Date: March 15, 2024

Place: Ahmedabad

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Addendum is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Addendum are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Shilpaben Ketanbhai Patel Non-Executive Director DIN: 10316276	Sd/-

Date: March 15, 2024

Place: Ahmedabad

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Addendum is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Addendum are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Palak Jagatbhai Shah Independent Director DIN: 10168539	Sd/-

Date: March 15, 2024

Place: Ahmedabad

DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Addendum is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Addendum are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Name and Designation	Signature
Sahil Bipin Gala Independent Director DIN: 08132442	Sd/-

Date: March 15, 2024

Place: Ahmedabad