

Continued from previous page...

Comparison of KPI with listed industry peers

(Amount in lakhs except %)

| Particulars | AVP INFRACON LIMITED | | | | H.G. INFRA ENGINEERING LIMITED | | | RACHANA INFRASTRUCTURE LIMITED | | | UDHAYSHIVKUMAR LIMITED | | |
|---------------------------------------|----------------------|------------|------------|------------|--------------------------------|------------|------------|--------------------------------|------------|------------|------------------------|------------|------------|
| | Oct 31, 2023 | FY 2022-23 | FY 2021-22 | FY 2020-21 | FY 2022-23 | FY 2021-22 | FY 2020-21 | FY 2022-23 | FY 2021-22 | FY 2020-21 | FY 2022-23 | FY 2021-22 | FY 2020-21 |
| Revenue from operations (1) | 6,918.69 | 10,633.56 | 6,388.85 | 5,799.76 | 44,185.36 | 36,151.93 | 25,349.20 | 6,351.67 | 6,319.82 | 10,379.06 | 28,689.81 | 18,562.92 | 21039.67 |
| Growth in Revenue from Operations (2) | (34.94%) | 66.44% | 10.16% | 54.05% | 22.22% | 42.62% | 15.43% | 0.50% | (39.11%) | (32.77%) | 54.55% | (11.77%) | 128.18% |
| EBITDA(3) | 1,484.17 | 2,028.41 | 1,024.85 | 595.45 | 7,283.61 | 5,925.49 | 4,260.98 | 773.69 | 892.19 | 1,263.46 | 2,670.32 | 2,090.92 | 2343.11 |
| EBITDA (%) Margin(4) | 21.45% | 19.08% | 16.04% | 10.27% | 16.48% | 16.39% | 16.81% | 12.18% | 14.12% | 12.17% | 9.31% | 11.26% | 11.14% |
| EBITDA Growth Period on Period(5) | (26.83)% | 97.93% | 72.11% | (18.22)% | 22.92% | 39.06% | 19.68% | (13.28%) | (29.38%) | (40.38%) | 27.71% | (10.76%) | 179.34% |
| ROCE (%) (6) | 22.63% | 37.04% | 25.94% | 20.85% | 28.00% | 30.00% | 26.00% | 5.80% | 9.60% | 14.28% | 9.99% | 18.23% | 15.76% |
| Current Ratio(7) | 1.4 | 1.38 | 1.49 | 1.34 | 1.36 | 1.79 | 1.45 | 4.66 | 1.76 | 2.27 | 1.62 | 1.05 | 1.67 |
| Operating Cash Flow (8) | (490.63) | (869.79) | 139.27 | (130.50) | (1,393.23) | (3,217.96) | 705.52 | (789.89) | (199.89) | (350.54) | 1,994.46 | 3,165.41 | 1,410.82 |
| PAT(9) | 834.27 | 1,152.63 | 399.43 | 226.3 | 4,931.91 | 3,800.36 | 941.58 | 226.21 | 220.77 | 470.00 | 1,602.64 | 1,236.62 | 1,044.98 |
| ROE/ RONW(10) | 25.05% | 46.18% | 29.73% | 33.08% | 25.66% | 26.47% | 8.86% | 2.51% | 4.42% | 9.12% | 11.11% | 19.86% | 20.94% |
| EPS(11) | 4.63 | 6.40 | 2.22 | 1.26 | 75.68 | 58.31 | 36.31 | 1.22 | 1.19 | 8.94 | 4.37 | 3.39 | 2.86 |

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

Notes:

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

RISKS TO INVESTORS:

- The average cost of acquisition per Equity Share by our Promoters i.e., D Prasanna, B Venkateshwarlu, Vasanth D and D Bhagyavathy at the date of Red Herring Prospectus are ₹ 2.33, ₹ 2.37, Nil and Nil respectively.
- At the date of the Red Herring Prospectus, the Weighted Average cost of acquisition per Equity Share by our Promoters i.e., D Prasanna, B Venkateshwarlu, Vasanth D and D Bhagyavathy at the date of Red Herring Prospectus are Nil, Nil, Nil and Nil respectively.
- Weighted Average Return on Net worth for Financial Year ending 2023, 2022 and 2021 is 38.51%.

1) Our company may, in consultation with the BRLM, consider participation by the Anchor Investor. The Anchor Investor Bid/Offer period shall be one working day prior to the Bid/ Offer opening date in accordance with SEBI ICDR Regulations, 2018.
2) Our company may, in consultation with the BRLM, consider closing the Bid/ Offer period for QIB one working day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations, 2018.

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

| Name of the Promoter | No. of Equity shares | Face Value (in ₹) | Percentage of post-issue paid-up capital (%) | Lock in Period |
|----------------------|----------------------|-------------------|--|----------------|
| D Prasanna | 28,57,600 | 10 | 11.44 | 3 Years |
| B Venkteshwarlu | 19,47,200 | 10 | 7.80 | 3 Years |
| Vasanth D | 1,29,600 | 10 | 0.52 | 3 Years |
| D Bhagyavathy | 65,600 | 10 | 0.26 | 3 Years |
| | | | | |

In case of revision in the price band, the bid/ Issue period shall be extended for at least three (3) additional working days after such revision in the price band, subject to the bid/issue period not exceeding a total of ten (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 Exchange by issuing press release and by and also by indicating the change on the website of BRLM and by intimation to Self-Certified Syndicate Banks (SCCB's), the sponsor banks and the designated intermediaries, as applicable. In case of force majeure, Banking strike or similar circumstances, the company may for the reason recorded in writing, extend the Bid/ Issue period by at least Three (3) additional working days subject to total bid / Issue period not exceeding Ten (10) working days .

The issue is being made in terms of Rule 19 (2) (b) (I) of the Securities Contract (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 253 of SEBI ICDR Regulations, the issue is being made for at least 25% of the post issue paid up Equity Share capital of our Company. The issue is being made through the Book Building Process wherein not more than 50% of the issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIB's" and such portion to the "QIB Portion") provided that our company may in consultation with the BRLM may allocate upto 60% of the QIB portion to the Anchor Investor on a discretionary basis in accordance with the SEBI ICDR Regulations ("Anchor Investor Portion"). One third of the Anchor Investor Portion shall be reserved for the Domestic Mutual Funds, subject to valid bids being received from the domestic mutual funds at or above the Anchor Investor allocation price. Further, 5% of the QIB portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual funds only, and the remainder of the QIB portion shall be available for allocation on proportionate basis to all QIBs Bidders (other than Anchor Investors), including mutual funds, subject to valid bids being received at or above the issue price. Further, not less than 15% of the issue shall be available for allocation on proportionate basis to Non- Institutional Bidder and not less than 35% of the issue shall be available for allocation to the Retail Individual bidders in accordance with the SEBI ICDR Regulations subject to valid bids being received or above the issue price. All potential bidders, other than Anchor Investor, are required to mandatorily utilize the application supported by blocked amount ("ASBA") process providing details of their respective bank account (including UPI ID in case of RIBs) which will be blocked by SCSBs, or the bank account linked with the UPI ID, as applicable, to participate in the issue. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. For Details, please see the section titled "Issue Procedure" on page 336 of the Red Herring Prospectus.

PROPOSED LISTING:

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited ('NSE Emerge'), in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received an In-Principle approval letter date March 01, 2024 from National Stock Exchange of India Limited for using its name in this offer document for listing of our shares on the NSE Emerge. For the purpose of this Issue, the Designated Stock Exchange will be the National Stock Exchange of India Limited.

DISCLAIMER CLAUSE OF SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI"):

Since the Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, the Offer Document was not filed with SEBI. In terms of the SEBI ICDR Regulations, SEBI shall not Issue any observations on the Offer Document. Hence, there is no such specific disclaimer clause of SEBI. However, investors may refer to the entire "SEBI Disclaimer Clause" on 316 of the Red Herring Prospectus.

DISCLAIMER CLAUSE OF EMERGE PLATFORM OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED (DESIGNATED STOCK EXCHANGE):

It is to be distinctly understood that the permission given by the National Stock Exchange of India Limited ("NSE") should not in any way be deemed or construed that the Offer Documents has been cleared or approved by NSE nor does it certify the correctness or completeness of any of the contents of the Offer Documents. The investors are advised to refer to the Offer Documents for the full text of the "Disclaimer Clause of NSE" on page 319 of the Red Herring Prospectus.

RISK IN RELATION TO THE FIRST ISSUE:

This being the first public Issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10/- each and the offer price is [●] times of the face value of the equity shares. The Issue Price (determined and justified by our Company in consultation with the Book Running Lead Manager as stated in "Basis for Issue Price" on page 98 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

Bidders/ Applicants should note that on the basis of PAN, DP ID And Client ID as provided in the bid cum application form, the Bidder/ Applicants may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic details of the Bidders/ Applicants as available on the records of the depositories. These Demographic details may be used, among other things, for or unblocking of ASBA account or for other correspondence related to an issue. Bidders/ Applicants are advised to update any changes to their demographic details as available in the records of the depository participants to ensure accuracy of records. Any delay resulting from failure to update the demographic details would be at the applicant's sole risk. Bidders/ Applicants should ensure that PAN, DP ID and the Client ID are correctly filled in the bid cum application form. The PAN, DP ID and the Client ID provided in the bid cum application form should match with the PAN, DP ID and the Client ID available in the depository database, otherwise the bid cum application form is liable to be rejected. Bidders/ Applicant should ensure that the beneficiary account provided in the Bid cum application form is active.

GENERAL RISK:

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of Red Herring Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on page 26 of Red Herring Prospectus.

CREDIT RATING: This being the issue of Equity Shares, no credit rating is required.

DEBENTURE TRUSTEES: This being the issue of Equity Shares, the appointment of Trustees is not required.

IPO GRADING: Since this issue is made in terms of Chapter IX of the SEBI (ICDR) Regulations, there is no requirement of appointing an IPO Grading Agency.

BASIS OF ISSUE PRICE: The Issue Price is determined by the Company in consultation with the Book Runing Lead Manager. The financial data presented in section "Basis of Issue Price" on page no. 98 of the Red Herring Prospectus are based on Company's Restated Financial Statements. Investors should also refer to the section titled "Risk factors" and "Restated Financial Statement" on page no. 26 and 211 respectively of the Red Herring Prospectus.

ADDITIONAL INFORMATION AS REQUIRED UNDER SECTION 30 OF THE COMPANIES ACT, 2013

CONTENTS OF THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY AS REGARDS ITS OBJECTS: For information on the main objects and other objects of our Company, see "Our History and Certain Other Corporate Matters" on page 165 of the Red Herring

Prospectus. The Memorandum of Association of our Company is a material document for inspection in relation to the Issue. For further details, see the section "Material Contracts and Documents for Inspection" on page 426 of the Red Herring Prospectus.

LIABILITY OF MEMBERS OF THE COMPANY: Limited by shares.

AMOUNT OF SHARE CAPITAL OF THE COMPANY AND CAPITAL STRUCTURE: The Authorised share capital of the Company is ₹ 25,00,00,000 /- divided into 2,50,00,000 Equity Shares of ₹ 10/- each the issued, subscribed, and paid-up share capital of the Company before the Issue is ₹ 18,00,00,000 /- divided into 1,80,00,000 Equity Shares of ₹ 10/- each. For details of the Capital Structure, see chapter titled "Capital Structure" beginning on page 69 of the Red Herring Prospectus.

NAMES OF THE SIGNATORIES TO THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AND THE NUMBER OF EQUITY SHARES SUBSCRIBED BY THEM: Given below are the names of the signatories of the Memorandum of Association of the Company and the number of Equity Shares subscribed by them at the time of signing of the Memorandum of Association of our Company: D Prasanna - 4,000 Equity Shares, B. Venkateshwarlu - 3,000 Equity Shares, and J Arun Kumar – 3,000 Equity Share, aggregating to 10,000 Equity Shares of ₹ 10/- each.

| BOOK RUNNING LEAD MANAGER | REGISTRAR TO THE ISSUE | COMPANY SECRETARY AND COMPLIANCE OFFICER |
|--|---|--|
|  |  | Ms. Priyanka Singh Plot No. E-30, IInd Floor, IInd Avenue Besant Nagar, Chennai, Tamil Nadu 600090, India Telephone: + 91-44-48683999 Email: cs@avpinfra.com Website: https://avpinfra.com/ |
| SHARE INDIA CAPITAL SERVICES PRIVATE LIMITED A-15, Sector-64, Noida – 201301, Uttar Pradesh, India Tel: +91-120-4910000; Email: anand.srivastava@shareindia.co.in Contact Person: Mr. Anand Srivastava Website: www.shareindia.com SEBI registration number: INM000012537 CIN: U65923UP2016PTC075987 | PURVA SHAREREGISTRY (INDIA) PRIVATE LIMITED Address: Unit No. 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Near Lodha Excelus, Lower Parel (E), Mumbai – 400011 Telephone: +91-22-2301 8261 Email: support@purvashare.com Website: www.purvashare.com Contact Person: Ms. Deepali Dhuri SEBI Registration Number: INR000001112 CIN: U67120MH1993PTC074079 | <i>Investors can contact our Company Secretary and Compliance Officer, the Book Running Lead Manager or the Registrar to the Issue, in case of any pre-issue or post-issue related problems, such as non-receipt of letters of allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders and non-receipt of funds by electronic mode etc</i> |

AVAILABILITY OF RED HERRING PROSPECTUS: Investors are advised to refer to the Red Herring Prospectus and the Risk Factors contained therein before applying in the Issue. Full copy of the Red Herring Prospectus is available on the website of the SEBI at www.sebi.gov.in , the website of the Book Running Lead Manager to the Issue at www.shareindia.com, website of company at <https://avpinfra.com/> and websites of stock exchange at www.nseindia.com.

AVAILABILITY OF BID-CUM-APPLICATION FORMS: Bid-Cum-Application forms can be obtained from the Registered Office of the Company: AVP Infracon Limited (Telephone: + 91-44-48683999) **Book Running Lead Manager:** Share India Capital Services Private Limited (Telephone: +91-120-4910000). Bid-cum-application Forms will also be available on the website of NSE (www.nseindia.com) and the designated branches of SCSBs, the list of which is available at websites of the Stock Exchange and SEBI.

APPLICATIONS SUPPORTED BY BLOCKED AMOUNT (ASBA): The investors are required to fill the application form and submit the same to the relevant SCSBs at the specific locations or registered brokers at the broker centers or RTA or DP's. The SCSB's will block the amount in the account as per the authority contained in application form. On allotment, amount will be unblocked and account will be debited only to the extent required to be paid for allotment of shares. Hence, there will be no need of refund. For more details on the ASBA process, please refer to the details given in application forms and Red Herring Prospectus and also please refer to the chapter titled "Issue Procedure" on page 336 of the Red Herring Prospectus.

APPLICATION SUPPORTED WITH UNIFIED PAYMENTS INTERFACE: Investors are advised to carefully refer SEBI Circular SEBI/HQ/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018 and as modified through its SEBI circular (SEBI/HQ/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, SEBI circular (SEBI/HQ/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, SEBI circular no. SEBI/HQ/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI Circular SEBI/HQ/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, SEBI Circular No. SEBI/HQ/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HQ/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HQ/CFD/DIL2/CIR/P/2021/47 dated March 31, 2021, SEBI Circular no. SEBI/HQ/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI Circular no. SEBI/HQ/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022 and SEBI Circular no. SEBI/HQ/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and any subsequent circulars or notifications issued by SEBI in this regard for the procedure to be followed for applying through UPI. Retail Individual Investor have to apply through UPI Mechanism. Retail Individual Investor whose bank is not live on UPI as on date of this circular, may use the other alternate channels available to them viz. Submission of application form with SCSBs/ using the facility linked online trading, demat and bank account list. For further details, please refer the chapter titled "Issue Procedure" beginning on page 336 of the Red Herring Prospectus.

Sponsor Bank to the Issue: Axis Bank Limited

Banker to the Issue, Escrow Collection Bank and Refund Banker: Axis Bank Limited

Investor should read the Red Herring Prospectus carefully, including the "Risk Factors" beginning on page 26 of the Red Herring Prospectus before making any investment decision.

All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the Red Herring Prospectus.

For AVP INFRACON LIMITED
On Behalf of the Board of Directors

Place: Chennai, Tamil Nadu
Date: March 05, 2024

Sd/-
D Prasanna
Managing Director

AVP Infracon Limited is proposing, subject to applicable statutory and regulatory requirements, receipt of requisite approvals, market conditions and other considerations, to undertake an initial public offering of its Equity Shares and has filed the Red Herring Prospectus with Registrar of Companies, Chennai on March 05, 2024, BRLM to the Issue at www.shareindia.com, website of company at <https://avpinfra.com/> and websites of NSE i.e. www.nseindia.com , respectively. Investors should note that investment in equity shares involves a high degree of risk and for details relating to the same, see section titled "Risk Factors" beginning on page 26 of the Red Herring Prospectus. Potential investors should not rely on the Red Herring Prospectus for making any investment decision.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") or any state securities laws in the United States, and unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any applicable U.S. state securities laws. There will be no public offering in the United States and the securities being offered in this announcement are not being offered or sold in the United States.