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(Please use this QR Code to view this Red Herring Prospectus)

# DEEPAK BUILDERS & ENGINEERS INDIA LIMITED

Corporate Identity Number: U45309DL2017PLC323467

Our Company was originally incorporated as 'Deepak Builders & Engineers India Private Limited', a private limited company under provisions of the Companies Act, 2013, pursuant to a certificate of incorporation dated September 11, 2017 issued by the Registrar of Companies, Central Registration Centre on behalf of Jurisdictional Registrar of Companies. Our Company then acquired the business of M/s. Deepak Builders, a partnership firm, vide a Business Takeover Agreement dated March 1, 2018. Subsequently, our Company was converted into a public limited company pursuant to a special resolution passed by our shareholders at an extraordinary general meeting held on May 25, 2022 and a fresh certificate of incorporation dated October 12, 2022 was issued by the Registrar of Companies, Delhi, recording the change in the name of our Company to 'Deepak Builders & Engineers India Limited'.

Registered Office: Ahluwalia Chambers, 1st Floor, Plot No. 16 & 17, Local Shopping Centre, Madangir, near Pushpa Bhawan, South Delhi, New Delhi – 110 062, India.

Corporate Office: Near Lodhi Club, Shaheed Bhagat Singh Nagar, Ludhiana – 141 012, Punjab, India

Contact Person: Anil Kumar, Company Secretary and Compliance Officer; Tel.: +91 98759 09242

E-mail: investor@deepakbuilders.co.in; Website: www.deepakbuilders.co.in

## OUR PROMOTERS: DEEPAK KUMAR SINGAL AND SUNITA SINGAL

INITIAL PUBLIC OFFERING OF UP TO 12,810,000\* EQUITY SHARES OF FACE VALUE OF ₹10 EACH ("EQUITY SHARES") OF DEEPAK BUILDERS & ENGINEERS INDIA LIMITED ("OUR COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹[+] PER EQUITY SHARE (INCLUDING A SECURITIES PREMIUM OF ₹[-] PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UP TO ₹[+] MILLION COMPRISING A FRESH ISSUE OF UP TO 10,700,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH AGGREGATING UP TO ₹[+] MILLION BY OUR COMPANY ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 2,110,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH AGGREGATING UP TO ₹[+] MILLION ("OFFERED SHARES") BY THE SELLING SHAREHOLDERS, COMPRISING UP TO 1,920,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH AGGREGATING UP TO ₹[+] MILLION BY DEEPAK KUMAR SINGAL AND UP TO 190,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH AGGREGATING UP TO ₹[+] MILLION BY SUNITA SINGAL (COLLECTIVELY THE "SELLING SHAREHOLDERS" OR "PROMOTER SELLING SHAREHOLDERS"), ("OFFER FOR SALE", TOGETHER WITH THE FRESH ISSUE, THE "OFFER"). THE OFFER WILL CONSTITUTE [•] % OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL.

\*SUBJECT OF FINALIZATION OF BASIS OF ALLOTMENT.

THE FACE VALUE OF THE EQUITY SHARES IS ₹10 EACH.

## DETAILS OF THE SELLING SHAREHOLDER, OFFER FOR SALE AND WEIGHTED AVERAGE COST OF ACQUISITION

NAME OF SELLING SHAREHOLDER	TYPE	NUMBER OF EQUITY SHARES OFFERED/ AMOUNT (₹ IN MILLION)	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE (IN ₹)*
Deepak Kumar Singal	Promoter Selling Shareholder	1,920,000 Equity Shares having face value of ₹10 each aggregating up to ₹[+] million	9.87
Sunita Singal	Promoter Selling Shareholder	190,000 Equity Shares having face value of ₹10 each aggregating up to ₹[+] million	10.00

\*As certified by our Statutory Auditor - Parmod G Gupta & Associates, Chartered Accountants, by way of their certificate dated October 12, 2024.

We are an integrated engineering and construction company, specializing in execution and construction of administrative & institutional buildings, hospitals and medical colleges, industrial building, memorial complex, sports complex, and residential complex. We have diversified in undertaking structural work such as flyovers, approach roads, and development and redevelopment of railway stations. We undertake Construction & Infrastructure Projects both, as EPC services on a fixed-sum turnkey basis as well as on an item-rate basis/percentage basis and also derive revenue from sale of residue construction products. We started our business operations primarily in Punjab and have gradually expanded to other States such as Haryana, Rajasthan and Uttarakhand and the Union Territory of Chandigarh and the National Capital Territory of Delhi.

The Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations.

QIB Portion: Not more than 50% of the offer | Non-Institutional Portion: Not less than 15% of the offer | Retail Portion: Not less than 35% of the offer

PRICE BAND: ₹192 TO ₹203 PER EQUITY SHARE OF FACE VALUE OF ₹10 EACH

THE FLOOR PRICE IS 19.2 TIMES THE FACE VALUE OF THE EQUITY SHARES AND THE CAP PRICE IS 20.3 TIMES THE FACE VALUE OF THE EQUITY SHARES

THE PRICE/EARNINGS RATIO BASIC AND DILUTED EPS FOR FISCAL 2024 AT THE FLOOR PRICE IS 11.40 TIMES AND AT THE CAP PRICE IS 12.05 TIMES

BIDS CAN BE MADE FOR A MINIMUM OF 73 EQUITY SHARES OF FACE VALUE OF ₹10 EACH AND IN MULTIPLES OF 73

EQUITY SHARES OF FACE VALUE OF ₹10 EACH THEREAFTER

THE UPPER END OF THE PRICE BAND IS 8.11 TIMES AS COMPARED TO THE AVERAGE INDUSTRY PEER GROUP PE RATIO OF 25.03

WEIGHTED AVERAGE RETURN ON NET WORTH FOR LAST THREE FULL FINANCIAL YEARS IS 39.86%

In accordance with the recommendation of Committee of Independent Directors of our Company, pursuant to their resolution dated October 14, 2024 the above provided price band is justified based on quantitative factors/ KPIs disclosed in the 'Basis for Offer Price' section of the RHP. The price band is in line with the weighted average cost of acquisition ("WACA") of primary and secondary transactions, as applicable, disclosed in the 'Basis for Offer Price' section on pages 128 of the RHP and provided below in this advertisement.

In making an investment decision, potential investors must only rely on the information included in the Red Herring Prospectus and the terms of the Issue, including the risks involved and not rely on any other external sources of information about the Issue available in any manner

## Bid Offer Period (except the Bid/ Offer Closing Date)

Submission and Revision in Bids	Only between 10:00 am and 5:00 pm (Indian Standard Time ("IST"))
<b>Bid/ Offer Closing Date*</b>	
Submission of Electronic Applications (Online ASBA through 3-in-1accounts)	Only between 10:00 am and 5:00 pm IST
Submission of Electronic Applications (Bank ASBA through Online Channels like Internet Banking, Mobile Banking & Syndicate ASBA applications made through UPI)	Only between 10:00 am and 4:00 pm IST
Submission of Electronic Applications (Syndicate Non-Retail, Non-Individual Applications)	Only between 10:00 am and 3:00 pm IST
Submission of Physical Applications (Bank ASBA)	Only between 10:00 am and 1:00 pm IST
Submission of Physical Applications (Syndicate Non-Retail, Non-Individual Applications of QIBs and Non-Institutional Investors)	Only between 10:00 am and 12:00 pm IST

\*UPI mandate end time and date shall be at 5:00 pm on Bid/Offer Closing Date.

\* QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids.

## Bid/Offer Period:

Event	Indicative Date
Anchor Opening date	Friday, 18 October, 2024
Bid/ Offer Opens on	Monday, 21 October, 2024
Bid/ Offer Closes on	Wednesday, 23 October, 2024
Finalization of Basis of Allotment with the Designated Stock Exchange	On or about Thursday, 24 October, 2024
Initiation of refunds (if any, for Anchor Investors)/ unblocking of funds from ASBA Account **	On or about Friday, 25 October, 2024
Credit of the Equity Shares to depository accounts of Allotees	On or about Friday, 25 October, 2024
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about Monday, 28 October, 2024

\*\*For more detail please refer page no. 390 of RHP

In accordance with the recommendation of Committee of Independent Directors of our Company, pursuant to their resolution dated October 14, 2024 the above provided price band is justified based on quantitative factors/ KPIs disclosed in the 'Basis for Offer Price' section of the RHP Page no 128. The price band is in line with the weighted average cost of acquisition ("WACA") of primary and secondary transactions, as applicable, disclosed in the 'Basis for Offer Price' section on pages 128 of the RHP and provided below in this advertisement.

In making an investment decision, potential investors must only rely on the information included in the Red Herring Prospectus and the terms of the Issue, including the risks involved and not rely on any other external sources of information about the Issue available in any manner.

## RISKS TO INVESTOR

- Our revenue is majorly concentrated from projects undertaken or awarded by government, semi-government and government-controlled entities. As of June 30, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, the Revenue from projects undertaken for Government, Semi-Government and Government related entities amounts to 74.66%, 92.30%, 80.13%, 82.68%. Any adverse changes in the government policies may lead to our contracts being foreclosed, terminated, restructured or renegotiated, which may have a material effect on our business and results of operations.
- Our project portfolio has historically been concentrated in Punjab. As on June 30, 2024, our ongoing projects amounts to ₹13,803.89 million out of which ₹4,261.91 million representing 30.87% of our ongoing projects is concentrated in the state of Punjab. Any changes affecting the policies, laws and regulations or the political and economic environment in the region may adversely impact our business, financial condition and results of operations.
- Historically, our EBITDA margin and Profit after Tax margin was below 12% and 5% respectively. However, recently we have witnessed growth in our EBITDA margin and Profit after Tax margin in the recent past. Our EBITDA margin increased from 12.20% in Fiscal 2023 to 22.98% in Fiscal 2024 and 29.92% during the three months period ended June 30, 2024 and our Profit after Tax margin increased from 4.94% in Fiscal 2023 to 11.81% in Fiscal 2024 and 13.52% during the three months period ended June 30, 2024. There can be no assurance that we will continue to witness such growth or maintain the present level in our Profit after Tax margin and EBITDA margin in future.
- Our business is working capital intensive involving relatively long implementation periods. If we experience insufficient cash flows to enable us to make required payments on our debt or fund working capital requirements, there may be an adverse effect on our results of operations. As on June 30, 2024, Fiscal 2024, Fiscal 2023, Fiscal 2022, our Company's net working capital requirement consisted of ₹2,536.08 million, ₹2,404.44 million, ₹1,323.91 million and ₹1,044.83 million constituting 241.28%, 47.02%, 30.54% and 28.78% of revenue from operations, respectively for such period.
- Our Company's credit rating issued in Fiscal 2021 by CARE Rating was downgraded from CARE BB-; stable (Issuer not Cooperating) assigned in Fiscal 2020 by CARE Rating to CARE B+ stable (Issuer not Cooperating). Although, post Fiscal 2021, our rating has not been downgraded by the credit rating agencies, our ability to access capital at attractive costs depends on our credit ratings. Non-availability of credit ratings or a poor rating may restrict our access to capital and thereby adversely affect our business and results of operations.
- In past, our Promoter, Deepak Kumar Singal have been subject to penalty for contravention of Foreign Exchange Management Act, 1999 and certain search operations were carried out by the Income Tax Department under section 132(1) of the Income-tax Act against our Company and the Promoters. Our Promoters and Company are also subject to certain litigations and any adverse order or direction in such cases by the concerned authorities, even though not quantifiable, may have an adverse effect on our reputation, brand, business, results of operations and financial condition.
- We have sustained negative cash flows from operating activities in the past and may experience earnings declines or operating losses or negative cash flows from operating activities in the future. There can be no assurances that cash flows will be positive in the future thereby creating an adverse impact on our ability to meet working capital expenditure, repay loans without raising finance from external resources. If we are not able to generate sufficient cash flows, it may adversely affect our business and financial operations. Information relating to our cash flows during the three months period ended June 30, 2024, and for the Fiscals 2024, 2023 and 2022 are follows: (₹ in million)
- As on June 30, 2024, our order book was ₹13,803.89 million. However, 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 due to any reason such as project delays, modifications in the scope or cancellations of projects, delay in payments by our customers or our own defaults, incidents of force majeure, adverse cash flows, regulatory delays and other factors beyond our control. Any such factor could adversely affect our business, financial condition, results of operations and prospects.
- We derive a significant portion of our revenues from a limited number of government clients. For the three months period ended June 30, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, our revenue from top ten (10) clients constitutes ₹784.70 million, ₹4,720.02 million, ₹3,473.43 million, ₹2,999.31 million representing 74.66%, 92.30%, 80.13%, 82.61% of revenue from operations. The loss of any significant clients may have an adverse effect on our business, financial condition, results of operations, and prospects.
- We operate in the construction industry where there are low entry barriers and is highly competitive. Construction & Infrastructure Projects are typically awarded to us on satisfaction of prescribed qualification criteria and following a competitive bidding process. During the three months period ended June 30, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, we participated in 44 bids out of which 9 of our bids were accepted, 23 of the bids were lost and 12 bids were cancelled by government. Our business and our financial condition may be adversely affected if new Construction & Infrastructure Projects are not awarded to us or if contracts awarded to us are prematurely terminated.
- There were certain instances of secretarial non-compliances in our Company, wherein our Company filed compounding application for settlement of non-compliance for (i) delay in appointment of cost auditor; (ii) delay in appointment of company secretary. Any such instance of non-compliance may have an adverse effect on our reputation and impact our profitability.
- As on June 30, 2024, we have contingent liabilities amounting to ₹2932.82 million which majorly consist of bank guarantee provided by our Company in favour of our government clients under the respective contracts for our projects. Our financial condition and profitability may be adversely affected if any of these contingent liabilities materialize.
- 4,015,952 Equity Shares of face value of ₹10 each held by our Promoters, Deepak Kumar Singal and Sunita Singal, representing 11.19% of our pre-Offer paid up share capital are pledged and invocation of such pledge in the event of any default by our Company may reduce our Promoters shareholding in the Company.
- Any defects in construction quality during the construction of our projects, could give rise to claims, liabilities, costs account of additional works required to be undertaken towards rectifying such construction faults, which may result in increased expenditure for our Company and we may not be able to pass on to our clients.
- Our operations are subject to hazards inherent in providing engineering and construction services, such as risk of equipment failure, work accidents, fire or explosion, including hazards that may cause injury and loss of life, severe damage to and destruction of property and equipment, and environmental damage. Any such event could expose us to material liabilities, loss in revenues and increased expenses.
- The Offer comprises an Offer for Sale by the Selling Shareholders. The Selling Shareholders will receive the entire proceeds from the Offer for Sale (after deducting applicable Offer related expenses) and our Company will not receive any part of the proceeds of the Offer for sale.
- Weighted average cost of acquisition of primary and secondary issuance compared to Floor Price and Cap Price:

Particulars	For three months period ended June 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Net cash generated from/ (used in) operating activities	64.26	(268.46)	128.82	6.01

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Past Transaction	Weighted average cost of acquisition per Equity Shares*	Floor Price i.e. ₹192	Cap Price i.e. ₹203
WACA Of Equity Shares based on primary issuance undertaken during the three immediately preceding years	Nil	Nil	Nil
WACA Of Equity Shares based on secondary transaction undertaken during the three immediately preceding years	₹0.01	19200	20300

\*As certified by our Statutory Auditor - Parmod G Gupta &amp; Associates, Chartered Accountants, pursuant to their certificate dated October 12, 2024.

18. Weighted average price at which the Equity Shares were acquired by the Selling Shareholders in the Offer is as stated in the below table and the Offer Price at the upper band of the Offer Price is ₹203.

Name of the Promoter	Number of equity shares	Weighted average price per Equity Share (₹)
Deepak Kumar Singal	32,305,970	9.87
Sunita Singal	3,564,890	10.00

\*As certified by our Statutory Auditor - Parmod G Gupta &amp; Associates, Chartered Accountants, pursuant to their certificate dated October 12, 2024.

19. Weighted average cost of acquisition of all shares transacted in (i) last one (1) year; (ii) last eighteen (18) months and (iii) last three (3) years preceding the date of this Red Herring Prospectus

Period	Weighted average cost of acquisition (in ₹)	Cap Price is 'X' times the Weighted Average Cost of Acquisition**	Range of acquisition price: lowest price – highest price (in ₹)
Last one (1) year preceding the date of this Red Herring Prospectus	Nil ^	Nil	Nil
Last eighteen (18) months preceding the date of this Red Herring Prospectus	Nil ^	Nil	Nil
Last three (3) years preceding the date of this Red Herring Prospectus	₹0.01	20300	Nil -18

^ Since shares received by way of gift

20. The Price Earning Ratio based on Basis and Diluted EPS for Fiscal 2024 at the upper end of the Price Band is 8.11 times as compared to average Industry Peer Group PE Ratio of 25.03

21. Weighted average return on Net Worth for Fiscal 2024, Fiscal 2023 and Fiscal 2022 is 39.86%.

22. This is the second Main Board Public Offer being handled by BRLM associated with Offer. The BRLM has handled 1 Main Board Issue and 26 SME Issues in the past three Fiscal, out of which 4 issues closed below the Issue Price on the listing date.

## BID/OFFER PROGRAMME

**ANCHOR OPENING DATE : FRIDAY, 18 OCTOBER 2024\***

**BID/OFFER OPENS ON : MONDAY, 21 OCTOBER 2024**

**BID/OFFER CLOSES ON : WEDNESDAY, 23 OCTOBER 2024\*\*\***

\*Our Company may, in consultation with the BRLM, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be 1 (one) Working Day prior to the Bid/Offer Opening Date.

\*\*Our Company may, in consultation with the BRLM, consider closing the Bid/Offer Period for QIBs 1 (one) Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.

#The UPI mandate end time and date shall be at 5:00 p.m. on Bid/Offer Closing Day.

In case of any revision in the Price Band, the Bid/ Offer Period will be extended by at least 1 (one) additional Working Days after such revision in the Price Band, subject to the Bid/ Offer Period not exceeding 10 (ten) Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/ Offer Period for a minimum of 1 (one) Working Days, subject to the Bid/ Offer Period not exceeding 10 (ten) Working Days. Any revision in the Price Band and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, 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 the Sponsor Bank, as applicable. This Offer is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the SEBI ICDR Regulations. The Offer is being made for at least 25% of the post-Offer paid-up Equity Share capital of our Company. This Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") and such portion the "QIB Portion", provided that our Company in consultation with the BRLM may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with SEBI ICDR Regulations ("Anchor Investor Portion"). One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price. In 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 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 a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders out of which (a) one third of such portion shall be reserved for applicants with application size of more than ₹0.2 million and up to ₹1 million and (b) two-third of such portion shall be reserved for applicants with application size of more than ₹1 million, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations subject to valid Bids being received at or above the Offer Price. All Potential Bidders, other than Anchor Investors, are required to participate in the Offer by mandatorily utilising the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA Account (as defined hereinafter) and UPI ID in case of UPI Bidders using the UPI Mechanism, as applicable, pursuant to which their corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks ("SCSBs") or by the Sponsor Banks under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For details, see "Offer Procedure" on page 398 of the Red Herring Prospectus.

Bidders/Applicants should ensure that DP ID, PAN and the Client ID and UPI ID (for UPI Bidders bidding through UPI Mechanism) are correctly filled in the Bid cum Application Form. The DP ID, PAN and Client ID provided in the Bid cum Application Form should match with the DP ID, PAN, Client ID and UPI ID available (for UPI Bidders bidding through the UPI Mechanism) in the Depository database, otherwise, the Bid cum Application Form is liable to be rejected. Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form is active. Bidders/Applicants should note that on the basis of the PAN, DP ID, Client ID and UPI ID (for RIBs and NIBs bidding through the UPI mechanism) as provided in the Bid cum Application Form, the Bidder/Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Offer, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for giving Allotment Advice or unblocking of ASBA Account or for other correspondence(s) related to the Offer. Bidders/Applicants are advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders/Applicants' sole risk.

Investors must ensure that their PAN is linked with Aadhaar and are in compliance with the notification issued by Central Board of Direct Taxes notification dated February 13, 2020 and read with press releases dated June 25, 2021, September 17, 2021 and CBDT Circular No.7 of 2022 dated March 30, 2022 read with press release dated March 28, 2023 and any subsequent press releases in this regard.

For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus until the Bid/ Offer Closing Date, see "Material Contracts and Documents for Inspection" on page 456 of the Red Herring Prospectus.

**CONTENTS OF THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY AS REGARDS ITS OBJECTS:** For information on the main objects of our Company, investors are requested to see "History and Certain Corporate Matters" beginning on page 242 of the RHP. The Memorandum of Association of our Company is a material document for inspection in relation to the Offer. For further details, see "Material Contracts and Documents for Inspection" beginning on page 456 of the RHP.

**LIABILITY OF THE MEMBERS OF OUR COMPANY:** Limited by shares.

**AMOUNT OF SHARE CAPITAL OF OUR COMPANY AND CAPITAL STRUCTURE:** As on the date of the RHP, the authorized share capital is ₹ 550,000,000 divided into 55,000,000 Equity Shares of face value of ₹ 10 each. The issued, subscribed and paid-up Equity share capital of our Company is ₹ 358,808,600 divided into 35,880,860 Equity Shares of face value of ₹ 10 each. For further details, see "Capital Structure" beginning on page 103 of the RHP.

**NAMES OF THE INITIAL SIGNATORIES TO THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY AND THE NUMBER OF EQUITY SHARES SUBSCRIBED BY THEM:** The names of the initial signatories of the memorandum of association of our Company along with their allotment are: Allotment of 10,000 Equity Shares of face value of ₹ 10 each to Deepak Kumar Singal and 10,000 Equity Shares face value of ₹ 10 each to Sunita Singal. For details Equity Share Capital history and capital structure of our Company see "Capital Structure" beginning on page 103 of the RHP.

**LISTING:** The Equity Shares offered through the RHP are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from the BSE and the NSE for the listing of the Equity Shares pursuant to letters each dated July 26, 2024. For the purposes of the Offer, the Designated Stock Exchange shall be NSE. A signed copy of this Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Section 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of this Red Herring Prospectus until the Bid/Offer Closing Date, see "Material Contracts and Documents for Inspection" on page 456 of the RHP.

**DISCLAIMER CLAUSE OF SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI"):** SEBI only gives its observations on the offer documents and this does not constitute approval of either the Offer or the specified securities stated in the Offer document. The investors are advised to refer to page 375 of the RHP for the full text of the disclaimer clause of SEBI.

**DISCLAIMER CLAUSE OF BSE:** It is to be distinctly understood that the permission given by BSE Limited should not in any way be deemed or construed that the RHP has been cleared or approved by BSE Limited nor does it certify the correctness or completeness of any of the contents of the RHP. The investors are advised to refer to the page 378 of the RHP for the full text of the disclaimer clause of BSE.

**DISCLAIMER CLAUSE OF NSE (the Designated Stock Exchange):** It is to be distinctly understood that the permission given by NSE should not in any way be deemed or construed that the Offer document has been cleared or approved by NSE nor does it certify the correctness or completeness of any of the contents of the Offer document. The investors are advised to refer to page 378 of the RHP for the full text of the disclaimer clause of NSE.

**GENERAL RISKS:** Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer 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 the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Issuer have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of the Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 37 of the Red Herring Prospectus.

### CORRIGENDUM TO THE RED HERRING PROSPECTUS

This corrigendum ("Corrigendum") is with reference to the Red Herring Prospectus dated October 12, 2024 ("RHP") filed in relation to the proposed Offer of up to 12,810,000 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [•] million comprising a fresh issue of up to 10,700,000 Equity Shares aggregating up to ₹ [•] million by our Company ("Fresh Issue") and an Offer For Sale of up to 2,110,000 Equity Shares aggregating up to ₹ [•] million ("Offered Shares") by the selling shareholders. This Corrigendum forms a part of the RHP, supplements the information in the RHP and the below changes are to be read in conjunction with the RHP. Accordingly, relevant references in the RHP stand updated pursuant to the disclosure in this Corrigendum. In this regard, please note the following: Page 456 of the RHP inadvertently reflects the date of the Syndicate Agreement to be October 7, 2024. As disclosed on page 14 of the RHP, the Syndicate Agreement is dated October 11, 2024. Accordingly, hereinafter, the disclosure on page 456 of the RHP should be read as: "Syndicate Agreement dated October 11, 2024 entered into between the BRLM, members of the Syndicate, our Company, the Selling Shareholders and the Registrar to the Offer".

BOOK RUNNING LEAD MANAGER	REGISTRAR TO THE OFFER	COMPANY SECRETARY AND COMPLIANCE OFFICER
 <p><b>FEDEX SECURITIES PRIVATE LIMITED</b> Address: B 7, 3rd Floor, Jay Chambers, Dayaldas Road, Vile Parle (East), Mumbai, Maharashtra - 400 057, India Tel: +91 81049 85249 Email: <a href="mailto:mb@fedsec.in">mb@fedsec.in</a> Investor Grievance Email: <a href="mailto:mb@fedsec.in">mb@fedsec.in</a> Website: <a href="http://www.fedsec.in">www.fedsec.in</a> Contact Person: Saipan Sanghvi / Prashant Patankar SEBI Registration No: INM000010163</p>	 <p><b>KFIN TECHNOLOGIES LIMITED</b> Address: Selenium, Tower B, Plot No. 31 and 32 Financial District Nanakramguda, Serilingampally Mandal Hyderabad 500 032 Telangana, India Tel: +91 40 6716 2222 Contact Person: M. Murali Krishna Website: <a href="http://www.kfintech.com">www.kfintech.com</a> E-mail: <a href="mailto:deepakbuilders.ipo@kfintech.com">deepakbuilders.ipo@kfintech.com</a> SEBI Registration No.: INR000000221 Investor Grievance E-mail: <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a></p>	<p><b>Anil Kumar</b> <b>DEEPAK BUILDERS AND ENGINEERING INDIA LIMITED</b> Near Lodhi Club, Shaheed Bhagat Singh Nagar Ludhiana - 141 012, Punjab, India 81. Telephone: +91 98759 09242 Email Id: <a href="mailto:cs@deepakbuilders.co.in">cs@deepakbuilders.co.in</a></p> <p>Investors may contact the Company Secretary and Compliance Officer, the BRLM or the Registrar to the Offer in case of any pre-Offer or post-Offer related grievances including non-receipt of Allotment Advice, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc.</p>

**AVAILABILITY OF THE RHP:** Investor are advised to refer to the RHP and the "Risk Factors" beginning on page 37 of the RHP before applying in the Offer. A Copy of the RHP is available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in) and is available on the website of the BRLM, Fedex Securities Private Limited at [www.fedsec.in](http://www.fedsec.in) and the website of the Company, Deepak Builders & Engineers India Limited at [www.deepakbuilders.co.in](http://www.deepakbuilders.co.in) and the websites of the Stock Exchanges, for BSE at [www.bseindia.com](http://www.bseindia.com) and for NSE Limited at [www.nseindia.com](http://www.nseindia.com).

**AVAILABILITY OF THE ABRIDGED PROSPECTUS:** A copy of the abridged prospectus shall be available on the website of the Company, the BRLM, and the Registrar to the Offer at [www.deepakbuilders.co.in](http://www.deepakbuilders.co.in), [www.fedsec.in](http://www.fedsec.in)

**AVAILABILITY OF BID CUM APPLICATION FORM:** The bid cum Application Form can be obtained from the Registered Office and Corporate Office of our Company, DEEPAK BUILDERS & ENGINEERS INDIA LIMITED: Tel: • 98759 09241; BRLM: Fedex Securities Private Limited, Tel: • 81049 85249; and at selected locations of Syndicate Member (as given below). Registered Broker, SCSBs, Designated RTA locations and Designated CDP Locations for participating in the Offer. Bid cum Application Forms will also be available on the websites of the Stock Exchanges at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) and at the Designated Branches of SCSBs. The list of which is available on the websites of the Stock Exchanges and SEBI.

**SYNDICATE MEMBER:** Khandwala Securities Limited | **ESCROW Collection Bank :** ICICI Bank Limited | **Public Offer Account Bank :** HDFC Bank Limited | **Refund Bank :** ICICI Bank | **Sponsor Banks:** HDFC Bank Limited and ICICI Bank Limited | **UPI :** UPI Bidders can also bid through UPI Mechanism

All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the RHP

For DEEPAK BUILDERS & ENGINEERS INDIA LIMITED

On behalf of the Board of Directors

Sd/-

Anil Kumar

Place: New Delhi

Date: October 15, 2024

DEEPAK BUILDERS & ENGINEERS INDIA LIMITED is proposing, subject to receipt of requisite approvals, market conditions and other considerations, to undertake an initial public offer of its Equity Shares and has filed the RHP with the RoC. The RHP shall be available on the website of the SEBI at [www.sebi.gov.in](http://www.sebi.gov.in) as well as on the websites of the Stock Exchanges i.e. BSE and NSE at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively, on the website of the Company at [www.deepakbuilders.co.in](http://www.deepakbuilders.co.in) and the BRLM i.e. Fedex Securities Private Limited at [www.fedsec.in](http://www.fedsec.in). Any potential investor should note that investment in equity shares involve a high degree of risk and for details relating to such risks, please see the section titled "Risk Factors" beginning on page 37 of the RHP. Potential investors should not rely on the DRHP filed with SEBI for making any investment decision but can only rely on the information included in the RHP.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws in the United States, and unless so registered, and may not be offered or sold within the United States except pursuant to exemption from or in transaction not subject to the registration requirement of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly the Equity shares are being offered and sold outside the United States in 'offshore transaction' as defined in and in reliance on Regulations and applicable laws of each jurisdiction where such offer and sales are made. There will be no public offering of the equity shares in the United States

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 TO SECURITIES. NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY OUTSIDE INDIA. INITIAL PUBLIC OFFERING OF EQUITY SHARES ON THE MAIN BOARD OF BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE, AND TOGETHER WITH BSE, THE STOCK EXCHANGES") IN COMPLIANCE WITH CHAPTER II OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS")



(Please use this QR Code to view this Red Herring Prospectus)

# DEEPAK BUILDERS & ENGINEERS INDIA LIMITED

Corporate Identity Number: U45309DL2017PLC323467

Our Company was originally incorporated as 'Deepak Builders & Engineers India Private Limited', a private limited company under provisions of the Companies Act, 2013, pursuant to a certificate of incorporation dated September 11, 2017 issued by the Registrar of Companies, Central Registration Centre on behalf of Jurisdictional Registrar of Companies. Our Company then acquired the business of M/s. Deepak Builders, a partnership firm, vide a Business Takeover Agreement dated March 1, 2018. Subsequently, our Company was converted into a public limited company pursuant to a special resolution passed by our shareholders at an extraordinary general meeting held on May 25, 2022 and a fresh certificate of incorporation dated October 12, 2022 was issued by the Registrar of Companies, Delhi, recording the change in the name of our Company to 'Deepak Builders & Engineers India Limited'.

Registered Office: Ahluwalia Chambers, 1st Floor, Plot No. 16 & 17, Local Shopping Centre, Madangir, near Pushpa Bhawan, South Delhi, New Delhi - 110 062, India

Corporate Office: Near Lodhi Club, Shaheed Bhagat Singh Nagar, Ludhiana - 141 012, Punjab, India

Contact Person: Anil Kumar, Company Secretary and Compliance Officer; Tel.: +91 98759 09242

E-mail: investor@deepakbuilders.co.in; Website: www.deepakbuilders.co.in

## OUR PROMOTERS: DEEPAK KUMAR SINGAL AND SUNITA SINGAL

INITIAL PUBLIC OFFERING OF UP TO 12,810,000\* EQUITY SHARES OF FACE VALUE OF ₹10 EACH ("EQUITY SHARES") OF DEEPAK BUILDERS & ENGINEERS INDIA LIMITED ("OUR COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹[\*] PER EQUITY SHARE (INCLUDING A SECURITIES PREMIUM OF ₹[\*] PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UP TO ₹[\*] MILLION COMPRISING A FRESH ISSUE OF UP TO 10,700,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH AGGREGATING UP TO ₹[\*] MILLION BY OUR COMPANY ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 2,110,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH AGGREGATING UP TO ₹[\*] MILLION ("OFFERED SHARES") BY THE SELLING SHAREHOLDERS, COMPRISING UP TO 1,920,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH AGGREGATING UP TO ₹[\*] MILLION BY DEEPAK KUMAR SINGAL AND UP TO 190,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH AGGREGATING UP TO ₹[\*] MILLION BY SUNITA SINGAL (COLLECTIVELY THE "SELLING SHAREHOLDERS" OR "PROMOTER SELLING SHAREHOLDERS"), ("OFFER FOR SALE", TOGETHER WITH THE FRESH ISSUE, THE "OFFER"). THE OFFER WILL CONSTITUTE [\*] % OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL.

\*SUBJECT OF FINALIZATION OF BASIS OF ALLOTMENT.

THE FACE VALUE OF THE EQUITY SHARES IS ₹10 EACH.

## DETAILS OF THE SELLING SHAREHOLDER, OFFER FOR SALE AND WEIGHTED AVERAGE COST OF ACQUISITION

NAME OF SELLING SHAREHOLDER	TYPE	NUMBER OF EQUITY SHARES OFFERED/ AMOUNT (₹ IN MILLION)	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE (IN ₹)*
Deepak Kumar Singal	Promoter Selling Shareholder	1,920,000 Equity Shares having face value of ₹10 each aggregating up to ₹[*] million	9.87
Sunita Singal	Promoter Selling Shareholder	190,000 Equity Shares having face value of ₹10 each aggregating up to ₹[*] million	10.00

\*As certified by our Statutory Auditor - Parmod G Gupta & Associates, Chartered Accountants, by way of their certificate dated October 12, 2024.

We are an integrated engineering and construction company, specializing in execution and construction of administrative & institutional buildings, hospitals and medical colleges, industrial building, memorial complex, sports complex, and residential complex. We have diversified in undertaking structural work such as flyovers, approach roads, and development and redevelopment of railway stations. We undertake Construction & Infrastructure Projects both, as EPC services on a fixed-sum turnkey basis as well as on an item-rate basis/percentage basis and also derive revenue from sale of residue construction products. We started our business operations primarily in Punjab and have gradually expanded to other States such as Haryana, Rajasthan and Uttarakhand and the Union Territory of Chandigarh and the National Capital Territory of Delhi.

The Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations.

QIB Portion: Not more than 50% of the offer | Non-Institutional Portion: Not less than 15% of the offer | Retail Portion: Not less than 35% of the offer

PRICE BAND: ₹192 TO ₹203 PER EQUITY SHARE OF FACE VALUE OF ₹10 EACH  
 THE FLOOR PRICE IS 19.2 TIMES THE FACE VALUE OF THE EQUITY SHARES AND THE CAP PRICE IS 20.3 TIMES THE FACE VALUE OF THE EQUITY SHARES  
 THE PRICE/EARNINGS RATIO BASIC AND DILUTED EPS FOR FISCAL 2024 AT THE FLOOR PRICE IS 11.40 TIMES AND AT THE CAP PRICE IS 12.05 TIMES  
 BIDS CAN BE MADE FOR A MINIMUM OF 73 EQUITY SHARES OF FACE VALUE OF ₹10 EACH AND IN MULTIPLES OF 73 EQUITY SHARES OF FACE VALUE OF ₹10 EACH THEREAFTER  
 THE UPPER END OF THE PRICE BAND IS 8.11 TIMES AS COMPARED TO THE AVERAGE INDUSTRY PEER GROUP PE RATIO OF 25.03  
 WEIGHTED AVERAGE RETURN ON NET WORTH FOR LAST THREE FULL FINANCIAL YEARS IS 39.86%

In accordance with the recommendation of Committee of Independent Directors of our Company, pursuant to their resolution dated October 14, 2024 the above provided price band is justified based on quantitative factors/ KPIs disclosed in the 'Basis for Offer Price' section of the RHP. The price band is in line with the weighted average cost of acquisition ("WACA") of primary and secondary transactions, as applicable, disclosed in the 'Basis for Offer Price' section on pages 128 of the RHP and provided below in this advertisement.

In making an investment decision, potential investors must only rely on the information included in the Red Herring Prospectus and the terms of the Issue, including the risks involved and not rely on any other external sources of information about the Issue available in any manner

## Bid Offer Period (except the Bid/ Offer Closing Date)

Submission and Revision in Bids	Only between 10:00 am and 5:00 pm (Indian Standard Time ("IST"))
<b>Bid/ Offer Closing Date*</b>	
Submission of Electronic Applications (Online ASBA through 3-in-1accounts)	Only between 10:00 am and 5:00 pm IST
Submission of Electronic Applications (Bank ASBA through Online Channels like Internet Banking, Mobile Banking & Syndicate ASBA applications made through UPI)	Only between 10:00 am and 4:00 pm IST
Submission of Electronic Applications (Syndicate Non-Retail, Non-Individual Applications)	Only between 10:00 am and 3:00 pm IST
Submission of Physical Applications (Bank ASBA)	Only between 10:00 am and 1:00 pm IST
Submission of Physical Applications (Syndicate Non-Retail, Non-Individual Applications of QIBs and Non-Institutional Investors)	Only between 10:00 am and 12:00 pm IST

\*UPI mandate end time and date shall be at 5:00 pm on Bid/Offer Closing Date.

\* QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids.

## Bid/Offer Period:

Event	Indicative Date
Anchor Opening date	Friday, 18 October, 2024
Bid/ Offer Opens on	Monday, 21 October, 2024
Bid/ Offer Closes on	Wednesday, 23 October, 2024
Finalization of Basis of Allotment with the Designated Stock Exchange	On or about Thursday, 24 October, 2024
Initiation of refunds (if any, for Anchor Investors)/ unblocking of funds from ASBA Account **	On or about Friday, 25 October, 2024
Credit of the Equity Shares to depository accounts of Allotees	On or about Friday, 25 October, 2024
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about Monday, 28 October, 2024

\*\*For more detail please refer page no. 390 of RHP

In accordance with the recommendation of Committee of Independent Directors of our Company, pursuant to their resolution dated October 14, 2024 the above provided price band is justified based on quantitative factors/ KPIs disclosed in the 'Basis for Offer Price' section of the RHP Page no 128. The price band is in line with the weighted average cost of acquisition ("WACA") of primary and secondary transactions, as applicable, disclosed in the 'Basis for Offer Price' section on pages 128 of the RHP and provided below in this advertisement.

In making an investment decision, potential investors must only rely on the information included in the Red Herring Prospectus and the terms of the Issue, including the risks involved and not rely on any other external sources of information about the Issue available in any manner.

## RISKS TO INVESTOR

- Our revenue is majorly concentrated from projects undertaken or awarded by government, semi-government and government-controlled entities. As of June 30, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, the Revenue from projects undertaken for Government, Semi-Government and Government related entities amounts to 74.66%, 92.30%, 80.13%, 82.68%. Any adverse changes in the government policies may lead to our contracts being foreclosed, terminated, restructured or renegotiated, which may have a material effect on our business and results of operations.
- Our project portfolio has historically been concentrated in Punjab. As on June 30, 2024, our ongoing projects amounts to ₹13,803.89 million out of which ₹4,261.91 million representing 30.87% of our ongoing projects is concentrated in the state of Punjab. Any changes affecting the policies, laws and regulations or the political and economic environment in the region may adversely impact our business, financial condition and results of operations.
- Historically, our EBITDA margin and Profit after Tax margin was below 12% and 5% respectively. However, recently we have witnessed growth in our EBITDA margin and Profit after Tax margin in the recent past. Our EBITDA margin increased from 12.20% in Fiscal 2023 to 22.98% in Fiscal 2024 and 29.92% during the three months period ended June 30, 2024 and our Profit after Tax margin increased from 4.94% in Fiscal 2023 to 11.81% in Fiscal 2024 and 13.52% during the three months period ended June 30, 2024. There can be no assurance that we will continue to witness such growth or maintain the present level in our Profit after Tax margin and EBITDA margin in future.
- Our business is working capital intensive involving relatively long implementation periods. If we experience insufficient cash flows to enable us to make required payments on our debt or fund working capital requirements, there may be an adverse effect on our results of operations. As on June 30, 2024, Fiscal 2024, Fiscal 2023, Fiscal 2022, our Company's net working capital requirement consisted of ₹2,536.08 million, ₹2,404.44 million, ₹1,323.91 million and ₹1,044.83 million constituting 241.28%, 47.02%, 30.54% and 28.78% of revenue from operations, respectively for such period.
- Our Company's credit rating issued in Fiscal 2021 by CARE Rating was downgraded from CARE BB-; stable (Issuer not Cooperating) assigned in Fiscal 2020 by CARE Rating to CARE B+ stable (Issuer not Cooperating). Although, post Fiscal 2021, our rating has not been downgraded by the credit rating agencies, our ability to access capital at attractive costs depends on our credit ratings. Non-availability of credit ratings or a poor rating may restrict our access to capital and thereby adversely affect our business and results of operations.
- In past, our Promoter, Deepak Kumar Singal have been subject to penalty for contravention of Foreign Exchange Management Act, 1999 and certain search operations were carried out by the Income Tax Department under section 132(1) of the Income-tax Act against our Company and the Promoters. Our Promoters and Company are also subject to certain litigations and any adverse order or direction in such cases by the concerned authorities, even though not quantifiable, may have an adverse effect on our reputation, brand, business, results of operations and financial condition.
- We have sustained negative cash flows from operating activities in the past and may experience earnings declines or operating losses or negative cash flows from operating activities in the future. There can be no assurances that cash flows will be positive in the future thereby creating an adverse impact on our ability to meet working capital expenditure, repay loans without raising finance from external resources. If we are not able to generate sufficient cash flows, it may adversely affect our business and financial operations. Information relating to our cash flows during the three months period ended June 30, 2024, and for the Fiscals 2024, 2023 and 2022 are follows: (₹ in million)
- As on June 30, 2024, our order book was ₹13,803.89 million. However, 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 due to any reason such as project delays, modifications in the scope or cancellations of projects, delay in payments by our customers or our own defaults, incidents of force majeure, adverse cash flows, regulatory delays and other factors beyond our control. Any such factor could adversely affect our business, financial condition, results of operations and prospects.
- We derive a significant portion of our revenues from a limited number of government clients. For the three months period ended June 30, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, our revenue from top ten (10) clients constitutes ₹784.70 million, ₹4,720.02 million, ₹3,473.43 million, ₹2,999.31 million representing 74.66%, 92.30%, 80.13%, 82.61% of revenue from operations. The loss of any significant clients may have an adverse effect on our business, financial condition, results of operations, and prospects.
- We operate in the construction industry where there are low entry barriers and is highly competitive. Construction & Infrastructure Projects are typically awarded to us on satisfaction of prescribed qualification criteria and following a competitive bidding process. During the three months period ended June 30, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, we participated in 44 bids out of which 9 of our bids were accepted, 23 of the bids were lost and 12 bids were cancelled by government. Our business and our financial condition may be adversely affected if new Construction & Infrastructure Projects are not awarded to us or if contracts awarded to us are prematurely terminated.
- There were certain instances of secretarial non-compliances in our Company, wherein our Company filed compounding application for settlement of non-compliance for (i) delay in appointment of cost auditor; (ii) delay in appointment of company secretary. Any such instance of non-compliance may have an adverse effect on our reputation and impact our profitability.
- As on June 30, 2024, we have contingent liabilities amounting to ₹ 2932.82 million which majorly consist of bank guarantee provided by our Company in favour of our government clients under the respective contracts for our projects. Our financial condition and profitability may be adversely affected if any of these contingent liabilities materialize.
- 4,015,952 Equity Shares of face value of ₹10 each held by our Promoters, Deepak Kumar Singal and Sunita Singal, representing 11.19% of our pre- Offer paid up share capital are pledged and invocation of such pledge in the event of any default by our Company may reduce our Promoters shareholding in the Company.
- Any defects in construction quality during the construction of our projects, could give rise to claims, liabilities, costs account of additional works required to be undertaken towards rectifying such construction faults, which may result in increased expenditure for our Company and we may not be able to pass on to our clients.
- Our operations are subject to hazards inherent in providing engineering and construction services, such as risk of equipment failure, work accidents, fire or explosion, including hazards that may cause injury and loss of life, severe damage to and destruction of property and equipment, and environmental damage. Any such event could expose us to material liabilities, loss in revenues and increased expenses.
- The Offer comprises an Offer for Sale by the Selling Shareholders. The Selling Shareholders will receive the entire proceeds from the Offer for Sale (after deducting applicable Offer related expenses) and our Company will not receive any part of the proceeds of the Offer for sale.
- Weighted average cost of acquisition of primary and secondary issuance compared to Floor Price and Cap Price:

Particulars	For three months period ended June 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Net cash generated from/ (used in) operating activities	64.26	(268.46)	128.82	6.01

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Past Transaction	Weighted average cost of acquisition per Equity Shares*	Floor Price i.e. ₹ 192	Cap Price i.e. ₹ 203
WACA Of Equity Shares based on primary issuance undertaken during the three immediately preceding years	Nil	Nil	Nil
WACA Of Equity Shares based on secondary transaction undertaken during the three immediately preceding years	₹ 0.01	19200	20300

\* As certified by our Statutory Auditor- Parmod G Gupta &amp; Associates, Chartered Accountants, pursuant to their certificate dated October 12, 2024.

18. Weighted average price at which the Equity Shares were acquired by the Selling Shareholders in the Offer is as stated in the below table and the Offer Price at the upper band of the Offer Price is ₹ 203.

Name of the Promoter	Number of equity shares	Weighted average price per Equity Share (₹)
Deepak Kumar Singal	32,305,970	9.87
Sunita Singal	3,564,890	10.00

\*As certified by our Statutory Auditor - Parmod G Gupta &amp; Associates, Chartered Accountants, pursuant to their certificate dated October 12, 2024.

19. Weighted average cost of acquisition of all shares transacted in (i) last one (1) year; (iii) last eighteen (18) months and (iii) last three (3) years preceding the date of this Red Herring Prospectus

Period	Weighted average cost of acquisition (in ₹)	Cap Price is 'X' times the Weighted Average Cost of Acquisition**	Range of acquisition price: lowest price – highest price (in ₹)
Last one (1) year preceding the date of this Red Herring Prospectus	Nil ^	Nil	Nil
Last eighteen (18) months preceding the date of this Red Herring Prospectus	Nil ^	Nil	Nil
Last three (3) years preceding the date of this Red Herring Prospectus	₹ 0.01	20300	Nil -18

^ Since shares received by way of gift

20. The Price Earning Ratio based on Basis and Diluted EPS for Fiscal 2024 at the upper end of the Price Band is 8.11 times as compared to average Industry Peer Group PE Ratio of 25.03

21. Weighted average return on Net Worth for Fiscal 2024, Fiscal 2023 and Fiscal 2022 is 39.86%.

22. This is the second Main Board Public Offer being handled by BRLM associated with Offer. The BRLM has handled 1 Main Board Issue and 26 SME Issues in the past three Fiscal, out of which 4 issues closed below the Issue Price on the listing date.

## BID/OFFER PROGRAMME

**ANCHOR OPENING DATE : FRIDAY, 18 OCTOBER 2024\***

**BID/OFFER OPENS ON : MONDAY, 21 OCTOBER 2024**

**BID/OFFER CLOSES ON : WEDNESDAY, 23 OCTOBER 2024\*\*#**

\*Our Company may, in consultation with the BRLM, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be 1 (one) Working Day prior to the Bid/Offer Opening Date.

\*\*Our Company may, in consultation with the BRLM, consider closing the Bid/Offer Period for QIBs 1(one) Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.

#The UPI mandate end time and date shall be at 5:00 p.m. on Bid/Offer Closing Day.

In case of any revision in the Price Band, the Bid/ Offer Period will be extended by at least 1 (one) additional Working Days after such revision in the Price Band, subject to the Bid/ Offer Period not exceeding 10 (ten) Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid / Offer Period for a minimum of 1 (one) Working Days, subject to the Bid/ Offer Period not exceeding 10 (ten) Working Days. Any revision in the Price Band and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, 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 the Sponsor Bank, as applicable. This Offer is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the SEBI ICDR Regulations. The Offer is being made for at least 25% of the post-Offer paid-up Equity Share capital of our Company. This Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs" and such portion the "QIB Portion"), provided that our Company in consultation with the BRLM may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with SEBI ICDR Regulations ("Anchor Investor Portion"). One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price. In 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 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 a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders out of which (a) one third of such portion shall be reserved for applicants with application size of more than ₹ 0.2 million and up to ₹ 1 million and (b) two-third of such portion shall be reserved for applicants with application size of more than ₹ 1 million, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations subject to valid Bids being received at or above the Offer Price. All Potential Bidders, other than Anchor Investors, are required to participate in the Offer by mandatorily utilising the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA Account (as defined hereinafter) and UPI ID in case of UPI Bidders using the UPI Mechanism, as applicable, pursuant to which their corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks ("SCSBs") or by the Sponsor Banks under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For details, see "Offer Procedure" on page 398 of the Red Herring Prospectus.

Bidders/Applicants should ensure that DP ID, PAN and the Client ID and UPI ID (for UPI Bidders bidding through UPI Mechanism) are correctly filled in the Bid cum Application Form. The DP ID, PAN and Client ID provided in the Bid cum Application Form should match with the DP ID, PAN, Client ID and UPI ID available (for UPI Bidders bidding through the UPI Mechanism) in the Depository database, otherwise, the Bid cum Application Form is liable to be rejected. Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form is active. Bidders/Applicants should note that on the basis of the PAN, DP ID, Client ID and UPI ID (for RIBs and NIBs bidding through the UPI mechanism) as provided in the Bid cum Application Form, the Bidder/Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Offer, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for giving Allotment Advice or unblocking of ASBA Account or for other correspondence(s) related to the Offer. Bidders/Applicants are advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders/Applicants' sole risk.

Investors must ensure that their PAN is linked with Aadhaar and are in compliance with the notification issued by Central Board of Direct Taxes notification dated February 13, 2020 and read with press releases dated June 25, 2021, September 17, 2021 and CBDT Circular No.7 of 2022 dated March 30, 2022 read with press release dated March 28, 2023 and any subsequent press releases in this regard.

For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus until the Bid/ Offer Closing Date, see "Material Contracts and Documents for Inspection" on page 456 of the Red Herring Prospectus.

**CONTENTS OF THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY AS REGARDS ITS OBJECTS:** For information on the main objects of our Company, investors are requested to see "History and Certain Corporate Matters" beginning on page 242 of the RHP. The Memorandum of Association of our Company is a material document for inspection in relation to the Offer. For further details, see "Material Contracts and Documents for Inspection" beginning on page 456 of the RHP

**LIABILITY OF THE MEMBERS OF OUR COMPANY:** Limited by shares.

**AMOUNT OF SHARE CAPITAL OF OUR COMPANY AND CAPITAL STRUCTURE:** As on the date of the RHP, the authorized share capital is ₹ 550,000,000 divided into 55,000,000 Equity Shares of face value of ₹ 10 each. The issued, subscribed and paid-up Equity share capital of our Company is ₹ 358,808,600 divided into 35,880,860 Equity Shares of face value of ₹ 10 each. For further details, see "Capital Structure" beginning on page 103 of the RHP.

**NAMES OF THE INITIAL SIGNATORIES TO THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY AND THE NUMBER OF EQUITY SHARES SUBSCRIBED BY THEM:** The names of the initial signatories of the memorandum of association of our Company along with their allotment are : Allotment of 10,000 Equity Shares of face value of ₹ 10 each to Deepak Kumar Singal and 10,000 Equity Shares face value of ₹ 10 each to Sunita Singal. For details Equity Share Capital history and capital structure of our Company see "Capital Structure" beginning on page 103 of the RHP.

**LISTING:** The Equity Shares offered through the RHP are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from the BSE and the NSE for the listing of the Equity Shares pursuant to letters each dated July 26, 2024. For the purposes of the Offer, the Designated Stock Exchange shall be NSE. A signed copy of this Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Section 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of this Red Herring Prospectus until the Bid/Offer Closing Date, see "Material Contracts and Documents for Inspection" on page 456 of the RHP

**DISCLAIMER CLAUSE OF SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI"):** SEBI only gives its observations on the offer documents and this does not constitute approval of either the Offer or the specified securities stated in the Offer document. The investors are advised to refer to page 375 of the RHP for the full text of the disclaimer clause of SEBI.

**DISCLAIMER CLAUSE OF BSE:** It is to be distinctly understood that the permission given by BSE Limited should not in any way be deemed or construed that the RHP has been cleared or approved by BSE Limited nor does it certify the correctness or completeness of any of the contents of the RHP. The investors are advised to refer to the page 378 of the RHP for the full text of the disclaimer clause of BSE.

**DISCLAIMER CLAUSE OF NSE (the Designated Stock Exchange):** It is to be distinctly understood that the permission given by NSE should not in any way be deemed or construed that the Offer document has been cleared or approved by NSE nor does it certify the correctness or completeness of any of the contents of the Offer document. The investors are advised to refer to page 378 of the RHP for the full text of the disclaimer clause of NSE.

**GENERAL RISKS:** Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer 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 the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Issuer have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents. of the Red Herring Prospectus Specific attention of the investors is invited to "Risk Factors" on page 37 of the Red Herring Prospectus.

### CORRIGENDUM TO THE RED HERRING PROSPECTUS

This corrigendum ("Corrigendum") is with reference to the Red Herring Prospectus dated October 12, 2024 ("RHP") filed in relation to the proposed Offer of Up to 12,810,000 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [\*] million comprising a fresh issue of up to 10,700,000 Equity Shares aggregating up to ₹ [\*] million by our Company ("Fresh Issue") and an Offer For Sale of up to 2,110,000 Equity Shares aggregating up to ₹ [\*] million ("Offered Shares") by the selling shareholders. This Corrigendum forms a part of the RHP, supplements the information in the RHP and the below changes are to be read in conjunction with the RHP. Accordingly, relevant references in the RHP stand updated pursuant to the disclosure in this Corrigendum. In this regard, please note the following: Page 456 of the RHP inadvertently reflects the date of the Syndicate Agreement to be October 7, 2024. As disclosed on page 14 of the RHP, the Syndicate Agreement is dated October 11, 2024. Accordingly, hereinafter, the disclosure on page 456 of the RHP should be read as: "Syndicate Agreement dated October 11, 2024 entered into between the BRLM, members of the Syndicate, our Company, the Selling Shareholders and the Registrar to the Offer"

BOOK RUNNING LEAD MANAGER	REGISTRAR TO THE OFFER	COMPANY SECRETARY AND COMPLIANCE OFFICER
 <p><b>FEDEX SECURITIES PRIVATE LIMITED</b> Address: B 7, 3rd Floor, Jay Chambers, Dayaldas Road, Vile Parle (East), Mumbai, Maharashtra - 400 057, India Tel: +91 81049 85249 Email: <a href="mailto:mb@fedsec.in">mb@fedsec.in</a> Investor Grievance Email: <a href="mailto:mb@fedsec.in">mb@fedsec.in</a> Website: <a href="http://www.fedsec.in">www.fedsec.in</a> Contact Person: Saipan Sanghvi / Prashant Patankar SEBI Registration No: INM00010163</p>	 <p><b>KFIN TECHNOLOGIES LIMITED</b> Address: Selenium, Tower B, Plot No. 31 and 32 Financial District Nanakramguda, Serilingampally Mandal Hyderabad 500 032 Telangana, India Tel: +91 40 6716 2222 Contact Person: M. Murali Krishna Website: <a href="http://www.kfintech.com">www.kfintech.com</a> E-mail: <a href="mailto:deepakbuilders.ipo@kfintech.com">deepakbuilders.ipo@kfintech.com</a> SEBI Registration No.: INR00000221 Investor Grievance E-mail: <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a></p>	<p>Anil Kumar <b>DEEPAK BUILDERS AND ENGINEERING INDIA LIMITED</b> Near Lodhi Club, Shaheed Bhagat Singh Nagar Ludhiana - 141 012, Punjab, India 81. Telephone: +91 98759 09242 Email Id: <a href="mailto:cs@deepakbuilders.co.in">cs@deepakbuilders.co.in</a></p> <p>Investors may contact the Company Secretary and Compliance Officer, the BRLM or the Registrar to the Offer in case of any pre-Offer or post-Offer related grievances including non-receipt of Allotment Advice, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc.</p>

**AVAILABILITY OF THE RHP:** Investor are advised to refer to the RHP and the "Risk Factors" beginning on page 37 of the RHP before applying in the Offer. A Copy of the RHP is available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in) and is available on the website of the BRLM, Fedex Securities Private Limited at [www.fedsec.in](http://www.fedsec.in) and the website of the Company, Deepak Builders & Engineers India Limited at [www.deepakbuilders.co.in](http://www.deepakbuilders.co.in) and the websites of the Stock Exchanges, for BSE at [www.bseindia.com](http://www.bseindia.com) and for NSE Limited at [www.nseindia.com](http://www.nseindia.com).

**AVAILABILITY OF THE ABRIDGED PROSPECTUS:** A copy of the abridged prospectus shall be available on the website of the Company, the BRLM, and the Registrar to the Offer at [www.deepakbuilders.co.in](http://www.deepakbuilders.co.in), [www.fedsec.in](http://www.fedsec.in)

**AVAILABILITY OF BID CUM APPLICATION FORM:** The bid cum Application Form can be obtained from the Registered Office and Corporate Office of our Company, DEEPAK BUILDERS & ENGINEERS INDIA LIMITED: Tel: • 98759 09241; BRLM: Fedex Securities Private Limited, Tel: • 81049 85249; and at selected locations of Syndicate Member(as given below),Registered Broker, SCSBs, Designated RTA locations and Designated CDP Locations for participating in the Offer. Bid cum Application Forms will also be available on the websites of the Stock Exchanges at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) and at the Designated Branches of SCSBs. The list of which is available on the websites of the Stock Exchanges and SEBI.

**SYNDICATE MEMBER:** Khandwala Securities Limited | **ESCROW Collection Bank :** ICICI Bank Limited | **Public Offer Account Bank :** HDFC Bank Limited | **Refund Bank :** ICICI Bank | **Sponsor Banks:** HDFC Bank Limited and ICICI Bank Limited | **UPI :** UPI Bidders can also bid through UPI Mechanism

All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the RHP

For DEEPAK BUILDERS & ENGINEERS INDIA LIMITED  
On behalf of the Board of Directors

Sd/-  
Anil Kumar

Place: New Delhi

Date: October 15, 2024

DEEPAK BUILDERS & ENGINEERS INDIA LIMITED is proposing, subject to receipt of requisite approvals, market conditions and other considerations, to undertake an initial public offer of its Equity Shares and has filed the RHP with the RoC. The RHP shall be available on the website of the SEBI at [www.sebi.gov.in](http://www.sebi.gov.in) as well as on the websites of the Stock Exchanges i.e. BSE and NSE at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively, on the website of the Company at [www.deepakbuilders.co.in](http://www.deepakbuilders.co.in) and the BRLM i.e. Fedex Securities Private Limited at [www.fedsec.in](http://www.fedsec.in). Any potential investor should note that investment in equity shares involve a high degree of risk and for details relating to such risks, please see the section titled "Risk Factors" beginning on page 37 of the RHP. Potential investors should not rely on the DRHP filed with SEBI for making any investment decision but can only rely on the information included in the RHP.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws in the United States, and unless so registered, and may not be offered or sold within the United States except pursuant to exemption from or in transaction not subject to the registration requirement of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly the Equity shares are being offered and sold outside the United States in "offshore transaction" as defined in and in reliance on Regulations and applicable laws of each jurisdiction where such offer and sales are made. There will be no public offering of the equity shares in the United States

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(Please use this QR Code to view this Red Herring Prospectus)

# DEEPAK BUILDERS & ENGINEERS INDIA LIMITED

Corporate Identity Number: U45309DL2017PLC323467

Our Company was originally incorporated as 'Deepak Builders & Engineers India Private Limited', a private limited company under provisions of the Companies Act, 2013, pursuant to a certificate of incorporation dated September 11, 2017 issued by the Registrar of Companies, Central Registration Centre on behalf of Jurisdictional Registrar of Companies. Our Company then acquired the business of M/s. Deepak Builders, a partnership firm, vide a Business Takeover Agreement dated March 1, 2018. Subsequently, our Company was converted into a public limited company pursuant to a special resolution passed by our shareholders at an extraordinary general meeting held on May 25, 2022 and a fresh certificate of incorporation dated October 12, 2022 was issued by the Registrar of Companies, Delhi, recording the change in the name of our Company to 'Deepak Builders & Engineers India Limited'.

Registered Office: Ahluwalia Chambers, 1st Floor, Plot No. 16 & 17, Local Shopping Centre, Madangir, near Pushpa Bhawan, South Delhi, New Delhi - 110 062, India

Corporate Office: Near Lodhi Club, Shaheed Bhagat Singh Nagar, Ludhiana - 141 012, Punjab, India

Contact Person: Anil Kumar, Company Secretary and Compliance Officer; Tel.: +91 98759 09242

E-mail: investor@deepakbuilders.co.in; Website: www.deepakbuilders.co.in

## OUR PROMOTERS: DEEPAK KUMAR SINGAL AND SUNITA SINGAL

INITIAL PUBLIC OFFERING OF UP TO 12,810,000\* EQUITY SHARES OF FACE VALUE OF ₹10 EACH ("EQUITY SHARES") OF DEEPAK BUILDERS & ENGINEERS INDIA LIMITED ("OUR COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹[-] PER EQUITY SHARE (INCLUDING A SECURITIES PREMIUM OF ₹[-] PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UP TO ₹[-] MILLION COMPRISING A FRESH ISSUE OF UP TO 10,700,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH AGGREGATING UP TO ₹[-] MILLION BY OUR COMPANY ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 2,110,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH AGGREGATING UP TO ₹[-] MILLION ("OFFERED SHARES") BY THE SELLING SHAREHOLDERS, COMPRISING UP TO 1,920,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH AGGREGATING UP TO ₹[-] MILLION BY DEEPAK KUMAR SINGAL AND UP TO 190,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH AGGREGATING UP TO ₹[-] MILLION BY SUNITA SINGAL (COLLECTIVELY THE "SELLING SHAREHOLDERS" OR "PROMOTER SELLING SHAREHOLDERS"), ("OFFER FOR SALE", TOGETHER WITH THE FRESH ISSUE, THE "OFFER"). THE OFFER WILL CONSTITUTE [-] % OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL.

\*SUBJECT OF FINALIZATION OF BASIS OF ALLOTMENT.  
THE FACE VALUE OF THE EQUITY SHARES IS ₹10 EACH.

## DETAILS OF THE SELLING SHAREHOLDER, OFFER FOR SALE AND WEIGHTED AVERAGE COST OF ACQUISITION

NAME OF SELLING SHAREHOLDER	TYPE	NUMBER OF EQUITY SHARES OFFERED/ AMOUNT (₹ IN MILLION)	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE (IN ₹)*
Deepak Kumar Singal	Promoter Selling Shareholder	1,920,000 Equity Shares having face value of ₹10 each aggregating up to ₹[-] million	9.87
Sunita Singal	Promoter Selling Shareholder	190,000 Equity Shares having face value of ₹10 each aggregating up to ₹[-] million	10.00

\*As certified by our Statutory Auditor - Parmod G Gupta & Associates, Chartered Accountants, by way of their certificate dated October 12, 2024.

We are an integrated engineering and construction company, specializing in execution and construction of administrative & institutional buildings, hospitals and medical colleges, industrial building, memorial complex, sports complex, and residential complex. We have diversified in undertaking structural work such as flyovers, approach roads, and development and redevelopment of railway stations. We undertake Construction & Infrastructure Projects both, as EPC services on a fixed-sum turnkey basis as well as on an item-rate basis/percentage basis and also derive revenue from sale of residue construction products. We started our business operations primarily in Punjab and have gradually expanded to other States such as Haryana, Rajasthan and Uttarakhand and the Union Territory of Chandigarh and the National Capital Territory of Delhi.

The Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations.

QIB Portion: Not more than 50% of the offer | Non-Institutional Portion: Not less than 15% of the offer | Retail Portion: Not less than 35% of the offer

PRICE BAND: ₹192 TO ₹203 PER EQUITY SHARE OF FACE VALUE OF ₹10 EACH  
THE FLOOR PRICE IS 19.2 TIMES THE FACE VALUE OF THE EQUITY SHARES AND THE CAP PRICE IS 20.3 TIMES THE FACE VALUE OF THE EQUITY SHARES  
THE PRICE/EARNINGS RATIO BASIC AND DILUTED EPS FOR FISCAL 2024 AT THE FLOOR PRICE IS 11.40 TIMES AND AT THE CAP PRICE IS 12.05 TIMES  
BIDS CAN BE MADE FOR A MINIMUM OF 73 EQUITY SHARES OF FACE VALUE OF ₹10 EACH AND IN MULTIPLES OF 73 EQUITY SHARES OF FACE VALUE OF ₹10 EACH THEREAFTER  
THE UPPER END OF THE PRICE BAND IS 8.11 TIMES AS COMPARED TO THE AVERAGE INDUSTRY PEER GROUP PE RATIO OF 25.03  
WEIGHTED AVERAGE RETURN ON NET WORTH FOR LAST THREE FULL FINANCIAL YEARS IS 39.86%

In accordance with the recommendation of Committee of Independent Directors of our Company, pursuant to their resolution dated October 14, 2024 the above provided price band is justified based on quantitative factors/ KPIs disclosed in the 'Basis for Offer Price' section of the RHP. The price band is in line with the weighted average cost of acquisition ("WACA") of primary and secondary transactions, as applicable, disclosed in the 'Basis for Offer Price' section on pages 128 of the RHP and provided below in this advertisement.

In making an investment decision, potential investors must only rely on the information included in the Red Herring Prospectus and the terms of the Issue, including the risks involved and not rely on any other external sources of information about the Issue available in any manner

Bid Offer Period (except the Bid/ Offer Closing Date)	
Submission and Revision in Bids	Only between 10:00 am and 5:00 pm (Indian Standard Time ("IST"))
Bid/ Offer Closing Date*	
Submission of Electronic Applications (Online ASBA through 3-In-1accounts)	Only between 10:00 am and 5:00 pm IST
Submission of Electronic Applications (Bank ASBA through Online Channels like Internet Banking, Mobile Banking & Syndicate ASBA applications made through UPI)	Only between 10:00 am and 4:00 pm IST
Submission of Electronic Applications (Syndicate Non-Retail, Non-Individual Applications)	Only between 10:00 am and 3:00 pm IST
Submission of Physical Applications (Bank ASBA)	Only between 10:00 am and 1:00 pm IST
Submission of Physical Applications (Syndicate Non-Retail, Non-Individual Applications of QIBs and Non-Institutional Investors)	Only between 10:00 am and 12:00 pm IST

\*UPI mandate end time and date shall be at 5:00 pm on Bid/Offer Closing Date.

\* QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids.

### Bid/Offer Period:

Event	Indicative Date
Anchor Opening date	Friday, 18 October, 2024
Bid/ Offer Opens on	Monday, 21 October, 2024
Bid/ Offer Closes on	Wednesday, 23 October, 2024
Finalization of Basis of Allotment with the Designated Stock Exchange	On or about Thursday, 24 October, 2024
Initiation of refunds (if any, for Anchor Investors)/ unblocking of funds from ASBA Account **	On or about Friday, 25 October, 2024
Credit of the Equity Shares to depository accounts of Allotees	On or about Friday, 25 October, 2024
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about Monday, 28 October, 2024

\*\*For more detail please refer page no. 390 of RHP

In accordance with the recommendation of Committee of Independent Directors of our Company, pursuant to their resolution dated October 14, 2024 the above provided price band is justified based on quantitative factors/ KPIs disclosed in the 'Basis for offer Price' section of the RHP Page no 128. The price band is in line with the weighted average cost of acquisition ("WACA") of primary and secondary transactions, as applicable, disclosed in the 'Basis for offer Price' section on pages 128 of the RHP and provided below in this advertisement.

In making an investment decision, potential investors must only rely on the information included in the Red Herring Prospectus and the terms of the Issue, including the risks involved and not rely on any other external sources of information about the Issue available in any manner.

## RISKS TO INVESTOR

- Our revenue is majorly concentrated from projects undertaken or awarded by government, semi-government and government-controlled entities. As of June 30, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, the Revenue from projects undertaken for Government, Semi-Government and Government related entities amounts to 74.66%, 92.30%, 80.13%, 82.68%. Any adverse changes in the government policies may lead to our contracts being foreclosed, terminated, restructured or renegotiated, which may have a material effect on our business and results of operations.
- Our project portfolio has historically been concentrated in Punjab. As on June 30, 2024, our ongoing projects amounts to ₹13,803.89 million out of which ₹4,261.91 million representing 30.87% of our ongoing projects is concentrated in the state of Punjab. Any changes affecting the policies, laws and regulations or the political and economic environment in the region may adversely impact our business, financial condition and results of operations.
- Historically, our EBITDA margin and Profit after Tax margin was below 12% and 5% respectively. However, recently we have witnessed growth in our EBITDA margin and Profit after Tax margin in the recent past. Our EBITDA margin increased from 12.20% in Fiscal 2023 to 22.98% in Fiscal 2024 and 29.92% during the three months period ended June 30, 2024 and our Profit after Tax margin increased from 4.94% in Fiscal 2023 to 11.81% in Fiscal 2024 and 13.52% during the three months period ended June 30, 2024. There can be no assurance that we will continue to witness such growth or maintain the present level in our Profit after Tax margin and EBITDA margin in future.
- Our business is working capital intensive involving relatively long implementation periods. If we experience insufficient cash flows to enable us to make required payments on our debt or fund working capital requirements, there may be an adverse effect on our results of operations. As on June 30, 2024, Fiscal 2024, Fiscal 2023, Fiscal 2022, our Company's net working capital requirement consisted of ₹2,536.08 million, ₹2,404.44 million, ₹1,323.91 million and ₹1,044.83 million constituting 241.28%, 47.02%, 30.54% and 28.78% of revenue from operations, respectively for such period.
- Our Company's credit rating issued in Fiscal 2021 by CARE Rating was downgraded from CARE BB-; stable (Issuer not Cooperating) assigned in Fiscal 2020 by CARE Rating to CARE B+ stable (Issuer not Cooperating). Although, post Fiscal 2021, our rating has not been downgraded by the credit rating agencies, our ability to access capital at attractive costs depends on our credit ratings. Non-availability of credit ratings or a poor rating may restrict our access to capital and thereby adversely affect our business and results of operations.
- In past, our Promoter, Deepak Kumar Singal have been subject to penalty for contravention of Foreign Exchange Management Act, 1999 and certain search operations were carried out by the Income Tax Department under section 132(1) of the Income-tax Act against our Company and the Promoters. Our Promoters and Company are also subject to certain litigations and any adverse order or direction in such cases by the concerned authorities, even though not quantifiable, may have an adverse effect on our reputation, brand, business, results of operations and financial condition.
- We have sustained negative cash flows from operating activities in the past and may experience earnings declines or operating losses or negative cash flows from operating activities in the future. There can be no assurances that cash flows will be positive in the future thereby creating an adverse impact on our ability to meet working capital expenditure, repay loans without raising finance from external resources. If we are not able to generate sufficient cash flows, it may adversely affect our business and financial operations. Information relating to our cash flows during the three months period ended June 30, 2024, and for the Fiscals 2024, 2023 and 2022 are follows: (₹ in million)
- As on June 30, 2024, our order book was ₹13,803.89 million. However, 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 due to any reason such as project delays, modifications in the scope or cancellations of projects, delay in payments by our customers or our own defaults, incidents of force majeure, adverse cash flows, regulatory delays and other factors beyond our control. Any such factor could adversely affect our business, financial condition, results of operations and prospects.
- We derive a significant portion of our revenues from a limited number of government clients. For the three months period ended June 30, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, our revenue from top ten (10) clients constitutes ₹784.70 million, ₹4,720.02 million, ₹3,473.43 million, ₹2,999.31 million representing 74.66%, 92.30%, 80.13%, 82.61% of revenue from operations. The loss of any significant clients may have an adverse effect on our business, financial condition, results of operations, and prospects.
- We operate in the construction industry where there are low entry barriers and is highly competitive. Construction & Infrastructure Projects are typically awarded to us on satisfaction of prescribed qualification criteria and following a competitive bidding process. During the three months period ended June 30, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, we participated in 44 bids out of which 9 of our bids were accepted, 23 of the bids were lost and 12 bids were cancelled by government. Our business and our financial condition may be adversely affected if new Construction & Infrastructure Projects are not awarded to us or if contracts awarded to us are prematurely terminated.
- There were certain instances of secretarial non-compliances in our Company, wherein our Company filed compounding application for settlement of non-compliance for (i) delay in appointment of cost auditor; (ii) delay in appointment of company secretary. Any such instance of non-compliance may have an adverse effect on our reputation and impact our profitability.
- As on June 30, 2024, we have contingent liabilities amounting to ₹ 2932.82 million which majorly consist of bank guarantee provided by our Company in favour of our government clients under the respective contracts for our projects. Our financial condition and profitability may be adversely affected if any of these contingent liabilities materialize.
- 4,015,952 Equity Shares of face value of ₹10 each held by our Promoters, Deepak Kumar Singal and Sunita Singal, representing 11.19% of our pre- Offer paid up share capital are pledged and invocation of such pledge in the event of any default by our Company may reduce our Promoters shareholding in the Company.
- Any defects in construction quality during the construction of our projects, could give rise to claims, liabilities, costs account of additional works required to be undertaken towards rectifying such construction faults, which may result in increased expenditure for our Company and we may not be able to pass on to our clients.
- Our operations are subject to hazards inherent in providing engineering and construction services, such as risk of equipment failure, work accidents, fire or explosion, including hazards that may cause injury and loss of life, severe damage to and destruction of property and equipment, and environmental damage. Any such event could expose us to material liabilities, loss in revenues and increased expenses.
- The Offer comprises an Offer for Sale by the Selling Shareholders. The Selling Shareholders will receive the entire proceeds from the Offer for Sale (after deducting applicable Offer related expenses) and our Company will not receive any part of the proceeds of the Offer for sale.
- Weighted average cost of acquisition of primary and secondary issuance compared to Floor Price and Cap Price:

Particulars	For three months period ended June 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Net cash generated from/ (used in) operating activities	64.26	(268.46)	128.82	6.01

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Past Transaction	Weighted average cost of acquisition per Equity Shares*	Floor Price i.e. ₹ 192	Cap Price i.e. ₹ 203
WACA Of Equity Shares based on primary issuance undertaken during the three immediately preceding years	Nil	Nil	Nil
WACA Of Equity Shares based on secondary transaction undertaken during the three immediately preceding years	₹ 0.01	19200	20300

\*As certified by our Statutory Auditor- Parmod G Gupta & Associates, Chartered Accountants, pursuant to their certificate dated October 12, 2024.

18. Weighted average price at which the Equity Shares were acquired by the Selling Shareholders in the Offer is as stated in the below table and the Offer Price at the upper band of the Offer Price is ₹ 203.

Name of the Promoter	Number of equity shares	Weighted average price per Equity Share (₹)
Deepak Kumar Singal	32,305,970	9.87
Sunita Singal	3,564,890	10.00

\*As certified by our Statutory Auditor - Parmod G Gupta & Associates, Chartered Accountants, pursuant to their certificate dated October 12, 2024.

19. Weighted average cost of acquisition of all shares transacted in (i) last one (1) year; (iii) last eighteen (18) months and (iii) last three (3) years preceding the date of this Red Herring Prospectus

Period	Weighted average cost of acquisition (in ₹)	Cap Price is 'X' times the Weighted Average Cost of Acquisition**	Range of acquisition price: lowest price – highest price (in ₹)
Last one (1) year preceding the date of this Red Herring Prospectus	Nil ^	Nil	Nil
Last eighteen (18) months preceding the date of this Red Herring Prospectus	Nil ^	Nil	Nil
Last three (3) years preceding the date of this Red Herring Prospectus	₹ 0.01	20300	Nil -18

^ Since shares received by way of gift

20. The Price Earning Ratio based on Basis and Diluted EPS for Fiscal 2024 at the upper end of the Price Band is 8.11 times as compared to average Industry Peer Group PE Ratio of 25.03

21. Weighted average return on Net Worth for Fiscal 2024, Fiscal 2023 and Fiscal 2022 is 39.86%.

22. This is the second Main Board Public Offer being handled by BRLM associated with Offer. The BRLM has handled 1 Main Board Issue and 26 SME Issues in the past three Fiscal, out of which 4 issues closed below the Issue Price on the listing date.

## BID/OFFER PROGRAMME

**ANCHOR OPENING DATE : FRIDAY, 18 OCTOBER 2024\***

**BID/OFFER OPENS ON : MONDAY, 21 OCTOBER 2024**

**BID/OFFER CLOSES ON : WEDNESDAY, 23 OCTOBER 2024\*\*#**

\*Our Company may, in consultation with the BRLM, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be 1 (one) Working Day prior to the Bid/Offer Opening Date.

\*\*Our Company may, in consultation with the BRLM, consider closing the Bid/Offer Period for QIBs 1(one) Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.

#The UPI mandate end time and date shall be at 5:00 p.m. on Bid/Offer Closing Day.

In case of any revision in the Price Band, the Bid/ Offer Period will be extended by at least 1 (one) additional Working Days after such revision in the Price Band, subject to the Bid/ Offer Period not exceeding 10 (ten) Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/ Offer Period for a minimum of 1 (one) Working Days, subject to the Bid/ Offer Period not exceeding 10 (ten) Working Days. Any revision in the Price Band and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, 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 the Sponsor Bank, as applicable. This Offer is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the SEBI ICDR Regulations. The Offer is being made for at least 25% of the post-Offer paid-up Equity Share capital of our Company. This Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs" and such portion the "QIB Portion"), provided that our Company in consultation with the BRLM may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with SEBI ICDR Regulations ("Anchor Investor Portion"). One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price. In 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 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 a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders out of which (a) one third of such portion shall be reserved for applicants with application size of more than ₹ 0.2 million and up to ₹ 1 million and (b) two-third of such portion shall be reserved for applicants with application size of more than ₹ 1 million, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations subject to valid Bids being received at or above the Offer Price. All Potential Bidders, other than Anchor Investors, are required to participate in the Offer by mandatorily utilising the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA Account (as defined hereinafter) and UPI ID in case of UPI Bidders using the UPI Mechanism, as applicable, pursuant to which their corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks ("SCSBs") or by the Sponsor Banks under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For details, see "Offer Procedure" on page 398 of the Red Herring Prospectus.

Bidders/Applicants should ensure that DP ID, PAN and the Client ID and UPI ID (for UPI Bidders bidding through UPI Mechanism) are correctly filled in the Bid cum Application Form. The DP ID, PAN and Client ID provided in the Bid cum Application Form should match with the DP ID, PAN, Client ID and UPI ID available (for UPI Bidders bidding through the UPI Mechanism) in the Depository database, otherwise, the Bid cum Application Form is liable to be rejected. Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form is active. Bidders/Applicants should note that on the basis of the PAN, DP ID, Client ID and UPI ID (for RIBs and NIBs bidding through the UPI mechanism) as provided in the Bid cum Application Form, the Bidder/Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Offer, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for giving Allotment Advice or unblocking of ASBA Account or for other correspondence(s) related to the Offer. Bidders/Applicants are advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders/Applicants' sole risk.

Investors must ensure that their PAN is linked with Aadhaar and are in compliance with the notification issued by Central Board of Direct Taxes notification dated February 13, 2020 and read with press releases dated June 25, 2021, September 17, 2021 and CBDT Circular No.7 of 2022 dated March 30, 2022 read with press release dated March 28, 2023 and any subsequent press releases in this regard.

For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus until the Bid/ Offer Closing Date, see "Material Contracts and Documents for Inspection" on page 456 of the Red Herring Prospectus.

CONTENTS OF THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY AS REGARDS ITS OBJECTS: For information on the main objects of our Company, investors are requested to see "History and Certain Corporate Matters" beginning on page 242 of the RHP. The Memorandum of Association of our Company is a material document for inspection in relation to the Offer. For further details, see "Material Contracts and Documents for Inspection" beginning on page 456 of the RHP

LIABILITY OF THE MEMBERS OF OUR COMPANY: Limited by shares.

AMOUNT OF SHARE CAPITAL OF OUR COMPANY AND CAPITAL STRUCTURE: As on the date of the RHP, the authorized share capital is ₹ 550,000,000 divided into 55,000,000 Equity Shares of face value of ₹ 10 each. The issued, subscribed and paid-up Equity share capital of our Company is ₹ 358,808,600 divided into 35,880,860 Equity Shares of face value of ₹ 10 each. For further details, see "Capital Structure" beginning on page 103 of the RHP

NAMES OF THE INITIAL SIGNATORIES TO THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY AND THE NUMBER OF EQUITY SHARES SUBSCRIBED BY THEM: The names of the initial signatories of the memorandum of association of our Company along with their allotment are: Allotment of 10,000 Equity Shares of face value of ₹ 10 each to Deepak Kumar Singal and 10,000 Equity Shares face value of ₹ 10 each to Sunita Singal. For details Equity Share Capital history and capital structure of our Company see "Capital Structure" beginning on page 103 of the RHP

LISTING: The Equity Shares offered through the RHP are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from the BSE and the NSE for the listing of the Equity Shares pursuant to letters each dated July 26, 2024. For the purposes of the Offer, the Designated Stock Exchange shall be NSE. A signed copy of this Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Section 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of this Red Herring Prospectus until the Bid/Offer Closing Date, see "Material Contracts and Documents for Inspection" on page 456 of the RHP

DISCLAIMER CLAUSE OF SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI"): SEBI only gives its observations on the offer documents and this does not constitute approval of either the Offer or the specified securities stated in the Offer document. The investors are advised to refer to page 375 of the RHP for the full text of the disclaimer clause of SEBI.

DISCLAIMER CLAUSE OF BSE: It is to be distinctly understood that the permission given by BSE Limited should not in any way be deemed or construed that the RHP has been cleared or approved by BSE Limited nor does it certify the correctness or completeness of any of the contents of the RHP. The investors are advised to refer to the page 378 of the RHP for the full text of the disclaimer clause of BSE.

DISCLAIMER CLAUSE OF NSE (the Designated Stock Exchange): It is to be distinctly understood that the permission given by NSE should not in any way be deemed or construed that the Offer document has been cleared or approved by NSE nor does it certify the correctness or completeness of any of the contents of the Offer document. The investors are advised to refer to page 378 of the RHP for the full text of the disclaimer clause of NSE.

GENERAL RISKS: Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer 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 the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Issuer have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents. of the Red Herring Prospectus Specific attention of the investors is invited to "Risk Factors" on page 37 of the Red Herring Prospectus.

### CORRIGENDUM TO THE RED HERRING PROSPECTUS

This corrigendum ("Corrigendum") is with reference to the Red Herring Prospectus dated October 12, 2024 ("RHP") filed in relation to the proposed Offer of Up to 12,810,000 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [•] million comprising a fresh issue of up to 10,700,000 Equity Shares aggregating up to ₹ [•] million by our Company ("Fresh Issue") and an Offer For Sale of up to 2,110,000 Equity aggregating up to ₹ [•] million ("Offered Shares") by the selling shareholders This Corrigendum forms a part of the RHP, supplements the information in the RHP and the below changes are to be read in conjunction with the RHP. Accordingly, relevant references in the RHP stand updated pursuant to the disclosure in this Corrigendum. In this regard, please note the following: Page 456 of the RHP inadvertently reflects the date of the Syndicate Agreement to be October 7, 2024. As disclosed on page 14 of the RHP, the Syndicate Agreement is dated October 11, 2024. Accordingly, hereinafter, the disclosure on page 456 of the RHP should be read as: "Syndicate Agreement dated October 11, 2024 entered into between the BRLM, members of the Syndicate, our Company, the Selling Shareholders and the Registrar to the Offer"

BOOK RUNNING LEAD MANAGER	REGISTRAR TO THE OFFER	COMPANY SECRETARY AND COMPLIANCE OFFICER
 <p><b>FEDEX SECURITIES PRIVATE LIMITED</b> Address: B 7, 3rd Floor, Jay Chambers, Dayaldas Road, Vile Parle (East), Mumbai, Maharashtra - 400 057, India Tel: +91 81049 85249 Email: <a href="mailto:mb@fedsec.in">mb@fedsec.in</a> Investor Grievance Email: <a href="mailto:mb@fedsec.in">mb@fedsec.in</a> Website: <a href="http://www.fedsec.in">www.fedsec.in</a> Contact Person: Saipan Sanghvi / Prashant Patankar SEBI Registration No: INM000010163</p>	 <p><b>KFIN TECHNOLOGIES LIMITED</b> Address: Selenium, Tower B, Plot No. 31 and 32 Financial District Nanakramguda, Serilingampally Mandal Hyderabad 500 032 Telangana, India Tel: +91 40 6716 2222 Contact Person: M. Murali Krishna Website: <a href="http://www.kfintech.com">www.kfintech.com</a> E-mail: <a href="mailto:deepakbuilders.ipo@kfintech.com">deepakbuilders.ipo@kfintech.com</a> SEBI Registration No.: INR00000221 Investor Grievance E-mail: <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a></p>	<p><b>Anil Kumar</b> <b>DEEPAK BUILDERS AND ENGINEERING INDIA LIMITED</b> Near Lodhi Club, Shaheed Bhagat Singh Nagar Ludhiana - 141 012, Punjab, India 81. Telephone: +91 98759 09242 Email Id: <a href="mailto:cs@deepakbuilders.co.in">cs@deepakbuilders.co.in</a></p> <p>Investors may contact the Company Secretary and Compliance Officer, the BRLM or the Registrar to the Offer in case of any pre-Offer or post-Offer related grievances including non-receipt of Allotment Advice, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc.</p>

AVAILABILITY OF THE RHP: Investor are advised to refer to the RHP and the "Risk Factors" beginning on page 37 of the RHP before applying in the Offer. A Copy of the RHP is available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in) and is available on the website of the BRLM, Fedex Securities Private Limited at [www.fedsec.in](http://www.fedsec.in) and the website of the Company, Deepak Builders & Engineers India Limited at [www.deepakbuilders.co.in](http://www.deepakbuilders.co.in) and the websites of the Stock Exchanges, for BSE at [www.bseindia.com](http://www.bseindia.com) and for NSE Limited at [www.nseindia.com](http://www.nseindia.com).

AVAILABILITY OF THE ABRIDGED PROSPECTUS: A copy of the abridged prospectus shall be available on the website of the Company, the BRLM, and the Registrar to the Offer at [www.deepakbuilders.co.in](http://www.deepakbuilders.co.in), [www.fedsec.in](http://www.fedsec.in)

AVAILABILITY OF BID CUM APPLICATION FORM: The bid cum Application Form can be obtained from the Registered Office and Corporate Office of our Company, DEEPAK BUILDERS & ENGINEERS INDIA LIMITED: Tel: + 98759 09241; BRLM: Fedex Securities Private Limited, Tel: + 81049 85249; and at selected locations of Syndicate Member(as given below),Registered Broker, SCSBs, Designated RTA locations and Designated CDP Locations for participating in the Offer. Bid cum Application Forms will also be available on the websites of the Stock Exchanges at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) and at an Designated Branches of SCSBs. The list of which is available on the websites of the Stock Exchanges and SEBI.

SYNDICATE MEMBER: Khandwala Securities Limited | ESCROW Collection Bank : ICICI Bank Limited | Public Offer Account Bank : HDFC Bank Limited | Refund Bank : ICICI Bank | Sponsor Banks: HDFC Bank Limited and ICICI Bank Limited | UPI : UPI Bidders can also bid through UPI Mechanism

All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the RHP

For DEEPAK BUILDERS & ENGINEERS INDIA LIMITED

On behalf of the Board of Directors

Sd/-

Anil Kumar

Place: New Delhi

Date: October 15, 2024

DEEPAK BUILDERS & ENGINEERS INDIA LIMITED is proposing, subject to receipt of requisite approvals, market conditions and other considerations, to undertake an initial public offer of its Equity Shares and has filed the RHP with the RoC. The RHP shall be available on the website of the SEBI at [www.sebi.gov.in](http://www.sebi.gov.in) as well as on the websites of the Stock Exchanges i.e. BSE and NSE at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively, on the website of the Company at [www.deepakbuilders.co.in](http://www.deepakbuilders.co.in) and the BRLM i.e. Fedex Securities Private Limited at [www.fedsec.in](http://www.fedsec.in). Any potential investor should note that investment in equity shares involve a high degree of risk and for details relating to such risks, please see the section titled "Risk Factors" beginning on page 37 of the RHP. Potential investors should not rely on the DRHP filed with SEBI for making any investment decision but can only rely on the information included in the RHP. The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws in the United States, and unless so registered, and may not be offered or sold within the United States except pursuant to exemption from or in transaction not subject to the registration requirement of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly the Equity shares are being offered and sold outside the United States in 'offshore transaction' as defined in and in reliance on Regulations and applicable laws of each jurisdiction where such offer and sales are made. There will be no public offering of the equity shares in the United States

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I arrive at a conclusion not an assumption.

Inform your opinion detailed analysis.

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