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KAY CEE ENERGY & INFRA LIMITED

Corporate Identification Number: U74900RJ2015PLC046976

Our Company was originally incorporated as 'KAY CEE ENERGY & INFRA PRIVATE LIMITED' a private limited company under the Companies Act, 2013 with the Registrar of Companies ("ROC"), Jaipur pursuant to Certificate of Incorporation dated January 23, 2015. The name of the company was changed from 'KAY CEE ENERGY & INFRA PRIVATE LIMITED' to 'KAY CEE ENERGY & INFRA LIMITED', consequent to conversion of our company from private limited company to public limited company, pursuant to Special Resolution passed by the shareholders of our Company in the Extra-ordinary General Meeting held on September 13, 2023, and a fresh certificate of incorporation consequent to change of name was issued by ROC, Jaipur on October 12, 2023. The corporate identification number of our company is U74900RJ2015PLC046976. For further details please refer to the chapter titled "History and Certain Corporate Matters" beginning on Page No. 114 of this Red Herring Prospectus.

Registered Office: 9 Krishna Vihar, Near Chungi Naka, Nanta Road, Kunhadi Kotal In Ladpura, Kota Rajasthan-324001 India;
Telephone: +91 80009 79358; **Email:** info@kayceeenergy.in ; **Website:** www.kayceeenergy.com; **Contact Person:** Yogesh Soni, Company Secretary and Compliance Officer;



OUR PROMOTERS: MR. LOKENDRA JAIN AND MRS. SHALINI JAIN

THE ISSUE

PUBLIC ISSUE OF UP TO 29,50,000 EQUITY SHARES OF FACE VALUE ₹ 10 EACH ("EQUITY SHARES") OF KAY CEE ENERGY & INFRA LIMITED ("OUR COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [•] PER EQUITY SHARE (INCLUDING A SECURITIES PREMIUM OF ₹ [•] PER EQUITY SHARE) ("ISSUE PRICE"), AGGREGATING UP TO ₹ [•] LAKHS (THE "ISSUE"). UP TO 1,90,000 EQUITY SHARES AGGREGATING TO ₹ [•] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER ("MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF UP TO 27,60,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AT AN ISSUE PRICE OF ₹ [•] PER EQUITY SHARE AGGREGATING TO ₹ [•] LAKHS IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.92% AND 25.18% RESPECTIVELY OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, PLEASE REFER THE CHAPTER TITLED "TERMS OF THE ISSUE" ON PAGE 172 OF THE RED HERRING PROSPECTUS.

- QIB PORTION: NOT MORE THAN 50.00% OF THE NET ISSUE
- RETAIL PORTION: NOT LESS THAN 35.00% OF THE NET ISSUE
- NON-INSTITUTIONAL PORTION: NOT LESS THAN 15.00% OF THE NET ISSUE
- MARKET MAKER PORTION: UP TO 1,90,000 EQUITY SHARES OR 6.44% OF THE ISSUE

PRICE BAND: RS. 51 TO RS. 54 PER EQUITY SHARE OF FACE VALUE RS. 10/- EACH.

THE FLOOR PRICE IS 5.1 TIMES OF THE FACE VALUE AND

THE CAP PRICE IS 5.4 TIMES OF THE FACE VALUE OF THE EQUITY SHARES.

BIDS CAN BE MADE FOR A MINIMUM OF 2,000 EQUITY SHARES AND IN MULTIPLES OF 2,000 EQUITY SHARES THEREAFTER.

Risks to Investors:

- Our revenues largely depend on acceptance of the bids submitted to the Government and other agencies. Our performance could be affected in case majority of the bids are not accepted / awarded.
- The Merchant Banker associated with the Issue has handled 17 public issues in the past two years out of which no issues closed below the Issue Price on Listing date
- Average cost of acquisition of Equity Shares held by the Promoter Mr. Lokendra Jain and Mrs. Shalini Jain is Rs. 0.32 and Rs. 0.32 per Equity Share and the Issue Price at the upper end of the Price Band is Rs. 54 per Equity Share.
- The Price/ Earnings ratio based on Diluted EPS for year ended March 2023 for the company at the upper end of the Price Band is 7.59.
- Weighted Average Return on Net worth for Fiscals 2023, 2022 and, 2021 is 21.21%

BASIS FOR ISSUE PRICE

The Issue Price will be determined by our Company in consultation with the Book Running Lead Manager on the basis of the assessment of market demand for the Equity Shares through the Book Building Process and on the basis of quantitative and Equity Qualitative factors as described below. The face value of the Equity Shares is Rs. 10 each and the Issue Price is 5.2 times the face value at the lower end of the Price Band and 5.4 times the face value at the higher end of the Price Band. Investors should also refer to "Our Business", "Risk Factors", "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 90, 25, 136 and 147, respectively of the Red Herring Prospectus, to have an informed view before making an investment decision.

QUALITATIVE FACTORS

Some of the qualitative factors which form the basis for computing the Issue Price are:

- > Scaled platform with strong track record of growth and market leadership Cordial relations with our customers;
- > Experienced management team, backed by a strong board and marquee shareholders, along with strong culture of compliance
- > Deeply entrenched, long-standing client relationships with a diversified and expanding client base

For further details, please refer chapters titled "Risk Factors" and "Our Business" beginning on Page Nos. 25 and 90, respectively.

QUANTITATIVE FACTORS

The information presented below relating to our Company has been derived from the Restated Financial Statements of our Company. For further details, see "Financial Information" beginning on page 136 of the Red Herring Prospectus.

Some of the quantitative factors which may form the basis for calculating the Issue Price are as follows:

1. Basic & Diluted Earnings per share (EPS) (Face value of ₹ 10 each):

As per the Restated Financial Statements:

Sr. No.	Period	Basic EPS (₹)*	Diluted EPS (₹)*	Weights
1	Financial Year 2020-2021	2.42	2.42	1
2	Financial Year 2021-2022	4.00	4.00	2
3	Financial Year 2022-2023	7.11	7.11	3
4	Weighted Average	5.29	5.29	
5	For Period ended as on June 30, 2023 (Not Annualised)	1.56	1.56	

* After giving effect of Bonus Issue of 75,00,000 Equity Shares in the ratio of 30:1.

Note:

1. The ratios have been computed as below:

Basic Earnings per Share (₹) = Net profit/ (loss) as restated, attributable to Equity Shareholders/
Weighted average number of Equity Shares outstanding during the year/period

Diluted Earnings per Share (₹) = Net profit/ (loss) as restated, attributable to Equity Shareholders/
Weighted average number of Diluted Equity Shares outstanding during the year/period

2. Price Earning (P/E) Ratio in relation to the Price Band of ₹ 51 to ₹ 54 per Equity Share of Face Value of ₹ 10/- each fully paid up:

Particulars	(P/E) Ratio at the Floor Price*	(P/E) Ratio at the Cap Price*
P/E ratio based on Basic and Diluted EPS as at March 31, 2023	7.17	7.59
P/E ratio based on Weighted Average EPS	9.64	10.21

* After giving effect of Bonus Issue of 75,00,000 Equity Shares in the ratio of 30:1.

3. Industry Peer Group P/E ratio

Particulars	Industry P/E
Highest	96.93
Lowest	24.17
Average	60.55

4. Average Return on Return on Net worth (RoNW)*

Sr. No.	Period	RoNW (%)	Weights
1	FY 2020-21	14.09%	1
2	FY 2021-22	18.90%	2
3	FY 2022-23	25.13%	3
4	Weighted Average	21.21%	
5	For Period ended as on June 30, 2023 (Not Annualised)	5.22%	

Note:

Return on Net worth has been calculated as per the following formula:

RONW = Net profit/loss after tax, as restated /
Net worth excluding revaluation reserve

Network is computed as the sum of the aggregate of paid up equity share capital, all reserves created out of the profits, securities premium account received in respect of equity shares and debit or credit balance of profit and loss account. It may be noted that equity component of financial instruments is excluded while calculating Network of the Company.

5. Net Asset Value (NAV) per Equity Share:

Sr. No.	Particulars	NAV per Share (₹)
1	As on March 31, 2023	876.54
2	As on June 30, 2023	924.83
3	Net Asset Value per Equity Share after the Issue	
	At the Floor Price	36.01
	At the Cap Price	36.82
4	Issue price per equity shares	[•]

Note:

a) Net Asset Value has been calculated as per the following formula:

b) NAV = Net worth excluding preference share capital and revaluation reserve/
Outstanding number of Equity shares at the end of the year/period

c) Network is computed as the sum of the aggregate of paid up equity share capital, all reserves created out of the profits, securities premium account received in respect of equity shares and debit or credit balance of profit and loss account. It may be noted that equity component of financial instruments is excluded while calculating Network of the Company.

6. Comparison of Accounting Ratios with Industry Peers:

Name of the Company	CMP*	EPS (₹)	Face Value (₹)	P/E Ratio*	RoNW (%)	NAV Per Share	Total Income (₹ in Lakhs)
Peer Group							
Viviana Power Tech Limited	178.00	5.75	10	24.17	16.77%	302.31	3625.00
Kec International Limited	605.00	6.85	2	96.93	4.80%	146.69	17,31,303.00
Our Company	[•]	7.11	10	[•]	25.13%	876.54	6132.07

7. Key Performance Indicators:

(Rs. In Lakhs except percentages and ratios)

Particulars	June 30, 2023*	Fiscal 2023	Fiscal 2022	Fiscal 2021
Revenue from Operations(1)	955.18	6,109.18	4,959.36	3,477.33
Total Income	964.29	6,132.07	5,012.55	3,559.13
EBITDA(2)	247.89	1,008.50	463.08	270.65
EBITDA Margin(3)	25.71%	16.45%	9.24%	7.60%
Profit After Tax (PAT)	120.74	550.71	310.05	187.47
PAT Margin(4)	12.64%	9.01%	6.25%	5.39%
Net Worth(5)	2312.08	2191.34	1640.63	1330.58
ROE(6)	5.22%	25.13%	18.90%	14.09%
ROCE(7)	5.21%	22.32%	19.86%	16.43%

*Not Annualized

Notes:

(1) Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements.

(2) EBITDA is calculated as Profit before Tax + Depreciation + Interest Cost - Other Income

(3) EBITDA Margin is calculated as EBITDA divided by Total Income

(4) PAT Margin is calculated as PAT for the period/year divided by revenue from operations.

(5) Net worth means the aggregate value of the paid-up share capital and reserves and surplus of the company.

(6) Return on Equity is ratio of Profit after Tax for the period/year divided by Shareholder Equity as at the end of respective period/year.

(7) Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as Tangible Net Worth + Total Debt + Deferred Tax Liability.

8. Comparison of the Key Performance indicators with our listed peers:

Key Performance Indicator	Viviana Power Tech Limited			Kec International Limited		
	FY 2022-23	FY 2021-22	FY 2020-21	FY 2022-23	FY 2021-22	FY 2020-21
Revenue from Operations	3,615.17	3,256.22	2,253.21	17,28,171.00	13,74,226	13,11,420
Total Income	3,625	3,299.73	2,262.21	17,31,303.00	13,75,569	13,14,412
Net Profit for the Year / Period	300.88	290.44	98.62	17,603	33,208	55,272

9. Past Transfer(s)/ Allotment(s)

There have been no secondary sales/ acquisitions of Equity Shares or any convertible securities equivalent to or exceeding 5% of the fully diluted paid up share capital of the Company (calculated on the date of completion of the sales), whether in a single transaction or a group of transactions during the 18 months preceding the date of the Draft Red Herring Prospectus or the Red Herring Prospectus. The Company has not undertaken any primary/ new issuance of Equity Shares or any convertible securities, whether in a single transaction or a group of transactions during the 18 months preceding the date of the Draft Red Herring Prospectus or the Red Herring Prospectus.

10. The Issue price is [•] times of the face value of the Equity Shares.

The Issue Price of ₹ [•] has been determined by our Company in consultation with the BRLM, on the basis of demand from investors for Equity Shares through the Book Building Process and, is justified in view of the above qualitative and quantitative parameters. Investors should read the above-mentioned information along with "Risk Factors", "Our Business", and "Financial Statements" on pages 25, 90 and 136, respectively of the Red Herring Prospectus, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the "Risk Factors" and you may lose all or part of your investments.

For further details, please see the chapter titled "Basis for Issue Price" beginning on page 69 of the RHP.

BID/ ISSUE PROGRAM

ANCHOR INVESTOR BIDDING DATE⁽¹⁾: WEDNESDAY DECEMBER 27, 2023

BID/ ISSUE OPENS ON⁽¹⁾: THURSDAY, DECEMBER 28, 2023

BID/ ISSUE CLOSES ON: TUESDAY, JANUARY 02, 2024

⁽¹⁾Our Company in consultation with the BRLM may consider participation by Anchor Investors. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/ Issue Opening Date in accordance with the SEBI (ICDR) Regulations, 2018.