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## SECTION I: GENERAL

### DEFINITIONS AND ABBREVIATIONS

This Draft Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies, as amended, supplemented or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Draft Prospectus but not defined herein shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI (ICDR) Regulations, the SCRA, the Listing Regulations, the Depositories Act or the Rules and Regulations made thereunder.

Notwithstanding the foregoing, terms used in of the sections “*Statement of Special Tax Benefits*”, “*Restated Financial Statements*”, “*Main Provisions of Articles of Association*”, “*Industry Overview*”, “*Our Business*”, “*Basis for Issue Price*”, “*Our History and Certain Corporate Matters*”, “*Key Industry Regulations and Policies*”, “*Other Regulatory and Statutory Disclosures*” and “*Outstanding Litigations and Material Developments*” on pages 84, 150, 245, 87, 104, 80, 120, 112, 189 and 189 respectively, shall have the meaning ascribed to such terms in the relevant section.

#### **GENERAL TERMS**

<b>Term</b>	<b>Description</b>
“TECHKNOWGREEN SOLUTIONS LIMITED”, “TKGREEN”, “TSL”, “We” or “us” or “Our Company” or “the Issuer”	Unless the context otherwise indicates or implies, refers to Techknowgreen Solutions Limited, a Public Limited Company incorporated under the Companies Act, 2013 having its registered office at Flat-202, Hem Opal Apartment, Plot No. 26, Ekta Park Society, Wakdewadi, Pune - 411003, Maharashtra, India.  Our Company was originally formed as a partnership firm under the Partnership Act, 1932 in the name and style of “M/s Techno Green Environmental Solutions”, pursuant to a deed of partnership dated April 05, 2001 and got registered under the Partnership Act, 1932 dated September 17, 2001. “M/s. Technogreen Environmental Solutions” was thereafter converted from a partnership firm to a public limited company under Part I Chapter XXI of the Companies Act, 2013 in the name of “Techknowgreen Solutions Limited”
You or Your or Yours	Prospective Investors in this Issue.

#### **COMPANY RELATED TERMS**

<b>Term</b>	<b>Description</b>
AOA / Articles / Articles of Association	The Articles of Association of our Company, as amended from time to time.
Audit Committee	The Audit Committee of our Company constituted in accordance Section 177 of the Companies Act, 2013 and as described in the section titled “ <i>Our Management</i> ” beginning on page 124 of this Draft Prospectus.
Auditor of our Company / Statutory Auditor	The Statutory Auditors of our Company, being Vishwas & Associates, Chartered Accountants at Unit No. 5B, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai - 400053, Maharashtra, India, holding a valid peer review certificate as mentioned in the section titled “ <i>General Information</i> ” beginning on page 51 of this Draft Prospectus.
Banker to our Company	ICICI Bank, Shivaji Nagar Branch, Pune as disclosed in the section titled “ <i>General Information</i> ” beginning on page 51 of this Draft Prospectus.
Board / Board of Directors / Our Board	The Board of Directors of our Company, including all duly constituted Committees thereof. For further details of our directors, please refer to section titled “ <i>Our Management</i> ” beginning on page 124 of this Draft Prospectus.
CIN / Corporate Identification Number	U90000PN2023PLC217501
Chief Financial Officer / CFO	The Chief Financial Officer of our Company as mentioned in the section titled “ <i>General Information</i> ” beginning on page 51 of this Draft Prospectus.

<b>Term</b>	<b>Description</b>
Company Secretary & Compliance Officer	The Company Secretary and Compliance Officer of our Company as mentioned in the section titled “ <b>General Information</b> ” beginning on page 51 of this Draft Prospectus.
Director(s) / our Directors	Director(s) of our company unless otherwise specified
Depositories Act	The Depositories Act, 1996, as amended from time to time
Depositories	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
Erstwhile Partnership Firm	M/s Technogreen Environmental Solutions
Equity Shares / Shares	The equity shares of our Company of face value of ₹10.00 each unless otherwise specified in the context thereof.
Equity Shareholders / Shareholders	Persons / Entities holding Equity Shares of the Company
Executive Directors	An Executive Directors are the Managing Director & Whole Time Directors of our Company, as appointed from time to time
Restated Financial Statements	The financial information of the Company which comprises of the Restated Statement of Assets and Liabilities for the Financial Years ended on March 31, 2023; 2022 and 2021, the Restated Statement of Profit and Loss and the Restated Cash Flow Statement for the Financial Years ended March 31, 2023; 2022 and 2021, and the related notes, schedules and annexures thereto included in this Draft Prospectus, which have been prepared in accordance with the Companies Act, Indian GAAP, and restated in accordance with the SEBI ICDR Regulations.
Fugitive economic offender	Shall mean an individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018)
Group Companies / Entities	Such companies / entities as covered under the applicable accounting standards and such other companies as considered material by the Board. For details of our Group Companies / entities, please refer “ <b>Our Group Companies</b> ” on page 147 of this Draft Prospectus.
Independent Directors	Independent directors on the Board, and eligible to be appointed as an independent director under the provisions of Companies Act and SEBI Listing Regulations. For details of the Independent Directors, please refer section titled “ <b>Our Management</b> ” beginning on page 124 of this Draft Prospectus.
“INDORIENT”	Indorient Financial Services Limited
ISIN	International Securities Identification Number, in this case being INE0P4P01011
JV/ Joint Venture	A commercial enterprise undertaken jointly by two or more parties which otherwise retain their distinct identities.
Key Management Personnel / KMP	Key Managerial Personnel of our Company in terms of the Companies Act, 2013 and Regulation 2(1) (bb) of the SEBI (ICDR) Regulations 2018 and Section 2(51) of the Companies Act, 2013. For details, see section entitled “ <b>Our Management</b> ” beginning on page 124 of this Draft Prospectus.
MD or Managing Director	The Managing Director of our Company is Ajay Ramakant Ojha
Materiality Policy	The policy on identification of Group Companies, Material Creditors and Material Litigation, adopted by our Board on May 08, 2023 in accordance with the requirements of the SEBI (ICDR) Regulations.
MoA / Memorandum of Association	The Memorandum of Association of our Company, as amended from time to time
Non-Executive Director	A Director not being an Executive Director or is an Independent Director
NRI/ Non-Resident Indians	A person resident outside India, as defined under Foreign Exchange Management Act 1999 and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
Nomination & Remuneration Committee	The Nomination and Remuneration Committee of our Company constituted in accordance with Section 178 of the Companies Act, 2013, as disclosed in the section titled “ <b>Our Management</b> ” beginning on page 124 of this Draft Prospectus.
Promoter(s) /Core Promoter	The promoters of our Company being Ajay Ramakant Ojha and Prasad Rangrao Pawar. For further details, please refer to section titled “ <b>Our Promoters and Promoter Group</b> ” on page 142 of this Draft Prospectus.

Term	Description
Promoter Group	Such persons, entities and companies constituting our promoter group pursuant to Regulation 2(1) (pp) of the SEBI (ICDR) Regulations as disclosed in the section titled “ <b><i>Our Promoters and Promoter Group</i></b> ” on page 142 of this Draft Prospectus.
Registered Office	The Registered Office of our Company situated at Flat-202, Hem Opal Apartment, Plot No. 26, Ekta Park Society, Wakdewadi Pune, Pune-411003 Maharashtra, India.
RoC / Registrar of Companies	Registrar of Companies, Pune situated at PCNTDA Green Building, Block A, 1 <sup>st</sup> & 2 <sup>nd</sup> Floor, Near Akurdi Railway Station, Akurdi, Pune – 411044, Maharashtra, India.
Senior Management	Senior Management of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations and as disclosed in the section entitled “ <b><i>Our Management</i></b> ” beginning on page 124 of this Draft Prospectus.
Stakeholders’ Relationship Committee	The Stakeholder’s Relationship Committee of our Company constituted in accordance with Section 178 of Companies Act, 2013 and as described under the section titled “ <b><i>Our Management</i></b> ” beginning on page 124 of this Draft Prospectus.
Stock Exchange	Unless the context requires otherwise, refers to, the SME Platform of BSE Limited

### ISSUE RELATED TERMS

Term	Description
Abridged Prospectus	Abridged Prospectus to be issued under Regulation 255 of SEBI ICDR Regulations and appended to the Application Form
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of having accepted the Application Form.
Allocation / Allocation of Equity Shares	Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Fresh Issue to the successful applicants
Allot / Allotment / Allotted	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of Equity Shares to the successful Applicants.
Allotment Advice	A note or advice or intimation of Allotment sent to the Applicants who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allotment Date	Date on which the Allotment is made.
Allottee(s)	A successful Applicant(s) to whom the Equity Shares are being / have been allotted
Applicant / Investor	Any prospective investor who makes an application pursuant to the terms of the Prospectus and the Application Form.
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of the Company.
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by ASBA Applicant to make an application authorizing an SCSB to block the Application Amount in the specified Bank Account maintained with such SCSB and will include applications made by RIIs using the UPI Mechanism, where the Application Amount shall be blocked upon acceptance of UPI Mandate Request by RIIs using UPI Mechanism
ASBA Account	A bank account maintained with an SCSB and specified in the Application Form submitted by the Applicants or the account of the RII Applicants blocked upon acceptance of UPI Mandate Request by RIIs using the UPI mechanism, to the extent of the Application Amount specified by the Applicant.
ASBA Applicant(s)	Any prospective investors in the Issue who intend to submit the Application through the ASBA process
ASBA Application / Application	An application form, whether physical or electronic, used by ASBA Applicants which will be considered as the application for Allotment in terms of the Prospectus.
Banker to the Company	Such banks which are disclosed as Banker to our Company in the section titled titled “ <b><i>General Information</i></b> ” on page 51 of this Draft Prospectus.
Banker to the Issue / Refund Banker	The banks which are Clearing Members and registered with SEBI as Banker to an Issue with whom the Escrow Agreement is entered and in this case being [●].
Banker to the Issue Agreement	Bank which is a clearing member and registered with SEBI as Banker to the Issue and with whom the Public Issue Account will be opened, in this case being [●].
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants under the Issue, described in “ <b><i>Issue Procedure</i></b> ” on page 218 of this Draft Prospectus.

<b>Term</b>	<b>Description</b>
Bidding/ Collection Centers	Centers at which the Designated intermediaries shall accept the ASBA Forms, i.e. Designated SCSB Branches for SCSBs, specified locations for syndicates, broker centers for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs.
Broker Centers	Broker centers notified by the Stock Exchange, where the Applicants can submit the Application Forms to a Registered Broker. The details of such broker centers, along with the name and contact details of the Registered Brokers, are available on the website of the BSE Limited on the following link- <a href="http://www.bseindia.com">www.bseindia.com</a>
BSE SME	SME Platform of BSE Limited
Business Day	Monday to Friday (except public holidays)
CAN / Confirmation of Allocation Note	Confirmation of Allocation Note / the note or advice or intimation of Allotment, sent to each successful Applicant who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange.
Client ID	Client identification number of the Applicant's beneficiary account
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Application Forms at the Designated CDP Locations in terms of circular no. GR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Controlling Branches / Controlling Branches of the SCSBs.	Such branches of the SCSBs which co-ordinate Application Forms by the ASBA Applicants with the Registrar to the Issue and Stock Exchange and a list of which is available at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, Occupation and Bank Account details and UPI ID wherever applicable.
Depository / Depositories	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 1996
Depository Participant / DP	A depository participant as defined under the Depositories Act
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the website of the Stock Exchange ( <a href="http://www.bseindia.com">www.bseindia.com</a> )
Designated Date	The date on which relevant amounts are transferred from the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, and the instructions are issued to the SCSBs (in case of RIIs using UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, in terms of the Prospectus following which Equity Shares will be Allotted in the Issue.
Designated Intermediaries / Collecting Agent	<p>In relation to ASBA Forms submitted by RIIs authorising an SCSB to block the Application Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs.</p> <p>In relation to ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism, Designated Intermediaries shall mean syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs.</p> <p>In relation to ASBA Forms submitted by QIBs and NIBs, Designated Intermediaries shall mean SCSBs, syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs.</p>
Designated Market Maker / Market Maker	In our case, Alacrity Securities Limited having its registered office at 101-102/B, Hari Darshan, Bhogilal Fadia Road, Kandivali West, Mumbai – 400067, Maharashtra, India.
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the website of the Stock Exchange ( <a href="http://www.bseindia.com">www.bseindia.com</a> ).

<b>Term</b>	<b>Description</b>
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms (other than ASBA Forms submitted by UPI applicants where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such applicant using the UPI Mechanism), a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange / Stock Exchange	SME Exchange of BSE Limited (“BSE SME”) (BSE).
Draft Prospectus	This Draft Prospectus issued in accordance with the SEBI ICDR Regulations which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Issue, including any addenda or corrigenda thereto
DP	Depository Participant
DP ID	Depository Participant’s Identity number
Eligible NRI	NRI eligible to invest under the FEMA Regulations, from jurisdictions outside India where it is not unlawful to make an application or invitation to participate in the Issue and in relation to whom the Application Form and the Prospectus will constitute an invitation to subscribe for Equity Shares and who have opened dematerialized accounts with SEBI registered qualified depository participants.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity shares issued thereby and who have opened Demat accounts with SEBI registered qualified depository participants.
Escrow Account(s)	Account(s) opened with the Banker to the Issue pursuant to Escrow and Sponsor Bank Agreement.
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable
Escrow and Sponsor Bank Agreement	An agreement to be entered among our Company, the Registrar to the Issue, the Escrow Collection Bank(s), Refund Bank(s) and the Lead Manager for the collection of Application Amounts and where applicable, for remitting refunds, on the terms and conditions thereof
FII / Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First / Sole Applicant	Applicant whose name shall be mentioned in the Application Form or the Revision Form and in case of joint Applications, whose name shall also appear as the first holder of the beneficiary account held in joint names.
General Corporate Purposes	Include such identified purposes for which no specific amount is allocated or any amount so specified towards general corporate purpose or any such purpose by whatever name called, in the offer document. Provided that any issue related expenses shall not be considered as a part of general corporate purpose merely because no specific amount has been allocated for such expenses in the offer document.
General Information Document	The General Information Document for investing in public issue prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, the circular (CIR/CFD/DIL/1/2016) dated January 1, 2016 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019 and circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, issued by SEBI. The General Information Document is available on the websites of the Stock Exchange and the LM.
Issue / Public Issue / Issue size / Initial Public Offer / Initial Public Offering / IPO / Present Issue/ Offer	Public Issue of upto 20,00,000 Equity Shares of face value ₹ 10.00 each of Techknowgreen Solutions Limited for cash at a price of ₹ [●] per Equity Shares (including premium of per ₹ [●] Equity Shares) aggregating ₹ [●] Lakh by our Company.
Issue Agreement	The agreement dated July 20, 2023, entered into between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.



<b>Term</b>	<b>Description</b>
Issue Closing Date	The date on which the Issue closes for subscription
Issue Opening Date	The date on which the Issue opens for subscription
Issue Proceeds	The proceeds of the Issue as stipulated by the Company. For further information about use of the Issue Proceeds please see the section titled “ <i>Objects of the Issue</i> ” beginning on page 70 of this Draft Prospectus
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and the BSE Limited.
Lot Size	The Market lot and Trading lot for the Equity Share is [●] and in multiples of [●] thereafter; subject to a minimum allotment of [●] Equity Shares to the successful applicants
Market Making Agreement	Market Making Agreement dated July 20, 2023 between our Company, the Lead Manager and Market Maker.
Market Maker Reservation Portion	[●] Equity Shares of ₹ 10.00 each at ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share) aggregating to ₹ [●] Lakh reserved for subscription by the Market Maker.
Mobile App(s)	The mobile applications listed on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as may be updated from time to time, which may be used by RIIs to submit Applications using the UPI Mechanism
Mutual Fund	A Mutual Fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of upto [●] Equity Shares of face value of ₹ 10.00 each fully paid up for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share) aggregating ₹ [●] Lakh by our Company.
Net Proceeds	Proceeds of the Issue that will be available to our Company, which shall be the gross proceeds of the Issue less the Issue expenses.
Non-Institutional Investors / NIIs	All Applicants, including Category III FPIs that are not QIBs or Retail Individual Investors who have made Application for Equity Shares for an amount of more than ₹ 2.00 Lakh (but not including NRIs other than Eligible NRIs).
Non-Resident	A person resident outside India, as defined under FEMA Regulations
Non-Resident Indian / NRI	A person resident outside India, who is a citizen of India or a Person of Indian Origin as defined under FEMA Regulations, as amended
Other Investor	Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
OCB / Overseas Corporate Body	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB’s) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue
Pay-in-Period	The period commencing on the Issue Opening date and extended till the closure of the Anchor Investor Pay-in-Date.
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, limited liability Company, joint venture, or trust or any other entity or organization validly constituted and / or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Prospectus	The Prospectus to be filed with the RoC in accordance with the provisions of Section 26 of the Companies Act, 2013.
Public Issue Account	The account to be opened with the Banker to the Issue under Section 40 of the Companies Act, 2013 to receive monies from the ASBA Accounts on the Designated Date.

Term	Description
Qualified Institutional Buyers or QIBs	A qualified institutional buyer as defined under Regulation 2(1) (ss) of the SEBI ICDR Regulations, 2018.
Prospectus / RHP	The Prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act, 2013 containing, inter alia, the Issue opening and closing dates and other information.
Refund Bank/ Refund Banker	Bank which is / are clearing member(s) and registered with the SEBI as Banker to the Issue at which the Refund Account will be opened, in this case being [●].
Refund Account	The 'no-lien' and 'non-interest bearing' account opened with the Refund Bank, from which refunds, if any, of the whole or part, of the Application Amount to the Anchor Investors shall be made.
Registered Brokers	Stockbrokers registered with the stock exchange having nationwide terminals.
Registrar Agreement	The Agreement between the Registrar to the Issue and the Issuer Company dated July 20, 2023 in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registrar to the Issue	Registrar to the Issue, in this case being Bigshare Services Private Limited.
Retail Individual Investors / RIIs	Applicants (including HUFs, in the name of Karta and Eligible NRIs) whose Application Amount for Equity Shares in the Issue is not more than ₹ 2.00 Lakh.
Revision Form	Form used by the Applicants to modify the quantity of the Equity Shares or the Applicant Amount in any of their ASBA Form(s) or any previous Revision Form(s).  QIB Applicants and Non-Institutional Applicants are not allowed to withdraw or lower their Applications (in terms of quantity of Equity Shares or the Application Amount) at any stage. Retail Individual Applicants can revise their Application during the Issue Period and withdraw their Applications until Issue Closing Date.
Securities laws	Means the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and the rules and regulations made thereunder and the general or special orders, guidelines or circulars made or issued by the Board thereunder and the provisions of the Companies Act, 2013 or any previous company law and any subordinate legislation framed thereunder, which are administered by the Board.
SME Exchange	SME Platform of the BSE Limited i.e. BSE SME.
Specified Locations	Collection centers where the SCSBs shall accept application form, a list of which is available on the website of SEBI ( <a href="https://www.sebi.gov.in/">https://www.sebi.gov.in/</a> ) and updated from time to time.
Specified Securities	Equity shares offered through this Draft Prospectus.
Self-Certified Syndicate Bank(s) / SCSBs	The list of SCSBs notified by SEBI for the ASBA process is available at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> , or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA applicant (other than a UPI Investor), not applying through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Application Forms, is available at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> , or at such other websites as may be prescribed by SEBI from time to time. In relation to Applications (other than Applications by Anchor Investors) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Application Forms from the members of the Syndicate is available on the website of the SEBI ( <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> ) and updated from time to time. For more information on such branches collecting Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> as updated from time to time. In accordance with SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular no.

Term	Description
	SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and April 5, 2022 Circular, UPI Investors may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI ( <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> ) and ( <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a> ) respectively, as updated from time to time
Systemically Important Nonbanking Financial Company	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
Transaction Registration Slip/ TRS	The slip or document issued by the member of the Syndicate or SCSB (only on demand) as the case may be, to the Applicant as proof of registration of the Application.
SEBI (ICDR) Regulations/ ICDR Regulation/ Regulation	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI on September 11, 2018, as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI (Venture Capital) Regulations	Securities Exchange Board of India (Venture Capital) Regulations, 1996 as amended from time to time.
Sponsor Bank	The Banker to the Issue registered with SEBI which is appointed by the issuer to act as a conduit between the Stock Exchange and the National Payments Corporation of India in order to push the mandate collect requests and / or payment instructions of the RIIs into the UPI, the Sponsor Bank in this case being [●].
Underwriter	Indorient Financial Services Limited
Underwriting Agreement	The agreement dated July 20, 2023 entered into between the Underwriters, our Company and the Book Running Lead Manager.
UPI Circulars	SEBI circular no. CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 SEBI Circular No: SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated May 30, 2022, and any subsequent circulars or notifications issued by SEBI in this regard.
UPI	Unified Payments Interface (UPI) is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons bank accounts using a payment address which uniquely identifies a person's bank a/c.
UP ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI)
UPI Mandate Request	as updated from time to time. In accordance with SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and April 5, 2022 Circular, UPI Investors may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI ( <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> ) and ( <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a> ) respectively, as updated from time to time
UPI mechanism	The bidding mechanism that may be used by an RII to make an Application in the Issue in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018 read with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019 and SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated

Term	Description
	June 28, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019.
UPI PIN	Password to authenticate UPI transaction
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Venture Capital Fund/ VCF	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India
Wilful Defaulter(s)	Wilful defaulter as defined under Regulation 2(1)(III) of the SEBI (ICDR) Regulations, 2018.
Working Days	All days on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Issue Price; and (b) Issue Period, “Working Day” shall mean all days, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; (c) the time period between the Issue Closing Date and the listing of the Equity Shares on the Stock Exchange, “Working Day” shall mean all trading days of Stock Exchange, excluding Sundays and bank holidays, as per the circulars issued by SEBI.

#### INDUSTRY RELATED TERMS

Term	Description
ADIS	Advance Diploma in Industrial Safety
AERMOD	American Meteorological Society/Environmental Protection Agency Regulatory Model
AI	Artificial Intelligence
AMC	Annual Maintenance Contract
AMRUT	Atal Mission for Rejuvenation and Urban Transformation
BoQ	Bill of Quantities
CAD	Current Account Deficits
Capex	Capital Expenditure
CCPI	Climate Change Performance Index
CMD	Cubic meter per day
CO <sub>2</sub>	Carbon Dioxide
CSR	Corporate Social Responsibility
CSIR-NEERI	Council for Scientific & Industrial Research-National Environmental Engineering Research Institute
DEP	District Environment Plans
DJB	Delhi Jal Board
DPRs	Detail Project Reports
ECLGS	Emergency Credit Linked Guarantee Scheme
EDMC	East Delhi Municipal Corporation
EDF	Environmental Defence Funds
EERI	Earthquake Engineering Research Institute
EIA	Environmental Impact Assessment
EMD	Earnest Money Deposit
EOS	Executive Opinion Survey
EPIL	Engineering Projects (India) Limited
ESG	Environmental, Social, and Governance
ETP	Effluent Treatment Plant
GCC	Gulf Corporation Council
GHG	Green House Gas
GUI	Graphical User Interface
GW	Ground Water
IFC	International Finance Corporations
IGBC	Indian Green Building Council
IMF	International Monetary Fund
IPCC	Intergovernmental Panel on Climate Change

<b>Term</b>	<b>Description</b>
LDCs	Landlocked Developing Countries
MEP	Mechanical, Electrical & Plumbing
MGNREGS	The Mahatma Gandhi National Rural Employment Guarantee Scheme
MIDC	Maharashtra Industrial Development Corporation
MMT	Million Metric Tonne
MLD	Million Litres per day
MPCB	Maharashtra Pollution Control Board
MSME	Micro, Small, and Medium Enterprises
NABET	National Accreditation Board for Education and Training
NAPCC	National Action Plan on Climate Change
NCAP	National Clean Air Program
NDCs	Nationally Determined Contributions
NEMM	National Electric Mobility Mission
NFHS	National Family Health Survey
NGT	National Green Tribunal
NWDA	National Water Development Agency
PCB	Pollution Control Board
PMC	Project Management Consultant
R&D	Research and Development
SAAS	Software as a Service
SIDA	The Swedish International Development Cooperation Agency
SMHI	The Swedish Meteorological and Hydrological Institute
STP	Sewage Treatment Plant
TEV	Techno Economic Viability
UNDP	United Nations Development Programme
UNFCCC	United Nations Framework Convention on Climate Change
USEPA	United States Environmental Protection Agency
WEO	World Economic Outlook
WTO	World Trade Organization
WWTPs	Wastewater Treatment Plants

#### CONVENTIONAL TERMS / ABBREVIATIONS

<b>Term</b>	<b>Description</b>
A/c	Account
AGM	Annual General Meeting
AIF(s)	Alternative Investment Funds as defined in and registered with SEBI under SEBI AIF Regulations
Air Act	The Air (Prevention and Control of Pollution) Act, 1981
Amt	Amount
AOA	Articles of Association
Approx	Approximately
AS / Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
AY	Assessment Year
B. A	Bachelor of Arts
BBA	Bachelor of Business Administration
B. Com	Bachelor of Commerce
B. E	Bachelor of Engineering
B. Sc	Bachelor of Science
B. Tech	Bachelor of Technology
Bn	Billion
BG / LC	Bank Guarantee / Letter of Credit
BIFR	Board for Industrial and Financial Reconstruction
BSE	BSE Limited (formerly known as the Bombay Stock Exchange Limited)
BSE SENSEX	Sensex in an index; market indicator of the position of stock that is listed in the BSE

<b>Term</b>	<b>Description</b>
BSE SME	SME Platform of BSE Limited
CA	Chartered Accountant
CAGR	Compounded Annual Growth Rate
CAN	Confirmation of Allocation Note
CARO	Companies (Auditor's Report) Order, 2016, as amended
Category I Foreign Portfolio Investor(s)	FPIs registered as Category I Foreign Portfolio Investors under the SEBI FPI Regulations.
Category II Foreign Portfolio Investor(s)	An FPI registered as a Category II Foreign Portfolio Investor under the SEBI FPI Regulations
Category III Foreign Portfolio Investor(s)	FPIs registered as category III FPIs under the SEBI FPI Regulations, which shall include all other FPIs not eligible under category I and II foreign portfolio investors, such as endowments, charitable societies, charitable trusts, foundations, corporate bodies, trusts, individuals and family offices
CC	Cash Credit
CDSL	Central Depository Services (India) Limited
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CGST	Central Goods and Services Tax
CIBIL	Credit Information Bureau (India) Limited
CIN	Company Identification Number
CIT	Commissioner of Income Tax
COPRA	The Consumer Protection Act, 1986
Companies Act	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications and modifications thereunder
Companies Act 2013	Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications and modifications thereunder
Consolidated FDI Policy	The current consolidated FDI Policy, effective from August 28, 2017, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
Contract Act	The Indian Contract Act, 1872
COVID-19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
CS & CO	Company Secretary & Compliance Officer
CSR	Corporate Social Responsibility
CY	Calendar Year
Depositories Act	The Depositories Act, 1996
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GOI
DP	Depository Participant
DP ID	Depository Participant's identity number
DTC	Direct Tax Code, 2013
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
ECS	Electronic Clearing System
EGM/ EOGM	Extraordinary General Meeting
Electricity Act	The Electricity Act, 2003
Environment Protection Act	The Environment (Protection) Act, 1986
EPA	The Environment Protection Act, 1986
EPF Act	The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
EPS	Earnings per share

<b>Term</b>	<b>Description</b>
e-RUPI	Prime Minister Narendra Modi launched a contactless, prepaid, electronic prepaid system
ER Act	The Equal Remuneration Act, 1976
ESI Act	The Employees' State Insurance Act, 1948
FCNR Account	Foreign Currency Non-Resident (Bank) account established in accordance with the FEMA
FDI	Foreign direct investment
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations there under
FEMA 2000	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000
FII(s)	Foreign Institutional Investors as defined under SEBI FPI Regulations
Financial Year / Fiscal Year / FY	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FIPB	Foreign Investment Promotion Board
Foreign Portfolio Investor or FPIs	A foreign portfolio investor, as defined under the SEBI FPI Regulations and registered with SEBI under applicable laws in India.
FV	Face Value
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
GIR Number	General Index Registry Number
GoI / Government	Government of India
GoM	Government of Maharashtra
Gratuity Act	The Payment of Gratuity Act, 1972
GST Act	The Central Goods and Services Tax Act, 2017
GVA	Gross Value Added
HW Rules	Hazardous Wastes (Management, Handling and Trans boundary Movement) Rules, 2008
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
IEM	Industrial Entrepreneurs Memorandum
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
IGST	Integrated GST
IT Act	Income Tax Act, 1961
Indian GAAP	Generally Accepted Accounting Principles in India
INR or Rupee or ₹ or Rs.	Indian Rupee, the official currency of the Republic of India
Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended.
IPO	Initial Public Offering
ISIN	International Securities Identification Number
KMP	Key Managerial Personnel
Ltd.	Limited
Maternity Benefit Act	Maternity Benefit Act, 1961
M. A	Master of Arts
M.B.A	Master of Business Administration
MCA	The Ministry of Corporate Affairs, GoI
M.Com	Master of Commerce
MCI	Ministry of Commerce and Industry, GoI
Mill & Fill	Removing the existing surface layer with a milling machine and then transporting the material to a storage facility
MSME	Micro, Small and Medium Enterprise
MSMED Act	The Micro, Small and Medium Enterprises Development Act, 2006

<b>Term</b>	<b>Description</b>
MWA	Minimum Wages Act, 1948
MoEF&CC	Ministry of Environment and Forests & Climate Change, GoI
MoF	Ministry of Finance, Government of India
MoU	Memorandum of Understanding
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
NI Act	The Negotiable Instruments Act, 1881
Noise Regulation Rules	The Noise Pollution (Regulation & Control) Rules 2000
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect
NPV	Net Present Value
NR / Non-resident	A person resident outside India, as defined under the FEMA and includes a Non-resident Indian
NRE Account	Non-Resident External Account established and operated in accordance with the FEMA
NRIs	Non-Resident Indians
NRO Account	Non-Resident Ordinary Account established and operated in accordance with the FEMA
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
Pcs	Pieces
P/E Ratio	Price / Earnings Ratio
PAN	Permanent Account Number
Petroleum Act	Petroleum Act, 1934
Petroleum Rules	Petroleum Rules, 1976
PAT	Profit after Tax
PIL	Public Interest Litigation
POB Act	Payment of Bonus Act, 1965
PhD	Doctor of Philosophy
PPP	Public Private Partnership
PSU	Public Sector Undertaking
Public Liability Act / PLI Act	The Public Liability Insurance Act, 1991
Pvt. / (P)	Private
PWD	Public Works Department of state governments
QFI(s)	Qualified Foreign Investor(s) as defined under the SEBI FPI Regulations
QIC	Quarterly Income Certificate
RBI	The Reserve Bank of India
R&D	Research & Development
Registration Act	The Indian Registration Act, 1908
RoC or Registrar of Companies	The Registrar of Companies
RoE	Return on Equity
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement
Rule 144A	Rule 144A under the U.S. Securities Act, 1933
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI (ICDR) Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, including instructions and clarifications issued by SEBI from time to time
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including instructions and clarifications issued by SEBI from time to time
SEBI MB Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
SEBI Act	The Securities and Exchange Board of India Act, 1992



<b>Term</b>	<b>Description</b>
SEBI AIF Regulations	Securities and Exchange Board of India (Alternate Investment Funds) Regulations, 2012
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
Sec.	Section
SGST	State GST
SHWW / SHWW Act	The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
SME	Small and Medium Enterprise
STT	Securities Transaction Tax
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time.
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
TM Act	The Trademarks Act, 1999
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
U.S. Securities Act	The United States Securities Act, 1933
US\$ or USD or US Dollars	United States Dollar, the official currency of the United States of America
USA or U.S. or US	United States of America
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
Water Act	The Water (Prevention and Control of Pollution) Act, 1974
w.e.f.	With effect from
Wilful Defaulter	A wilful defaulter, as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations, means a person or an issuer who or which is categorized as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India
YoY	Year over Year

## **CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF FINANCIAL PRESENTATION**

In this Draft Prospectus, the terms “TECHKNOWGREEN SOLUTIONS LIMITED”, “TKGREEN”, “TSL” or “Our Company” or “the Issuer” “we”, “us”, “our”, and the “Company”, unless the context otherwise indicates or implies, refers to TECHKNOWGREEN SOLUTIONS LIMITED.

### **CERTAIN CONVENTION**

All references in this Draft Prospectus to “India” are to the Republic of India. In this Draft Prospectus, our Company has presented numerical information in “Lakh” units. One lakh represents 1,00,000.

### **FINANCIAL DATA**

Unless stated otherwise, the financial data in this Draft Prospectus is derived from our Audited Restated Financial Statements for the financial years ended on March 31, 2023; 2022 and 2021; prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, Guidance Note on “Reports in Company Prospectus (Revised 2019)” issued by ICAI and the Indian GAAP which are included in this Draft Prospectus, and set out in “*Restated Financial Statements*” on page 150 of this Draft Prospectus.

In this Draft Prospectus, any discrepancies in any table between the total and the sum of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the two decimal place and all percentage figures have been rounded off to two decimal places and accordingly there may be consequential changes in this Draft Prospectus.

Our Company’s financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year, so all references to a particular financial year are to the 12-month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year.

There are significant differences between Indian GAAP and IND (AS). Accordingly, the degree to which the Restated Financial Statements included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices, Indian GAAP, IND (AS), the Companies Act and the SEBI (ICDR) Regulations, on the Restated Financial Statements presented in this Draft Prospectus should accordingly be limited. Although we have included a summary of qualitative and quantitative differences between Indian GAAP and IND (AS), our financial statements reported under IND (AS) in future accounting periods may not be directly comparable with our financial statements historically prepared in accordance with Indian GAAP, including disclosed in this Draft Prospectus. You should consult your own advisors regarding such differences and their impact on our financial data.

Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and elsewhere in this Draft Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Statutory Auditor, set out in the section titled ‘*Restated Financial Statements*’ beginning on page 150 of this Draft Prospectus.

### **CURRENCY AND UNITS OF PRESENTATION**

In this Draft Prospectus, unless the context otherwise requires, all references to

- (a) ‘Rupees’ or ‘₹’ or ‘Rs.’ or ‘INR’ are to Indian rupees, the official currency of the Republic of India;
- (b) ‘US Dollars’ or ‘US \$’ or ‘USD’ or ‘\$’ are to United States Dollars, the official currency of the United States of America.

All references to the word ‘Lakh’ or ‘Lakhs’, ‘Lac’ or ‘Lacs’, means ‘One hundred thousand’ and the word ‘Million’ means ‘Ten lakh’ and the word ‘Crore’ means ‘Ten Million’ and the word ‘Billion’ means ‘One Thousand Million’.

## DEFINITIONS

For definitions, please see the section titled “*Definitions and Abbreviations*” on page 1 of this Draft Prospectus. In the Section titled “*Main Provisions of Articles of Association*” beginning on page 245 of this Draft Prospectus, defined terms have the meaning given to such terms in the Articles of Association.

## INDUSTRY AND MARKET DATA

Unless stated otherwise, industry and market data used throughout this Draft Prospectus has been obtained or derived from Internal Company reports and industry and Government publications, publicly available information and sources. Industry and Government publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Although, our Company believes that industry data used in this Draft Prospectus is reliable, it has not been independently verified either by the Company or the Lead Manager or any of their respective affiliates or advisors.

Further, the extent to which the industry and market data presented in this Draft Prospectus is meaningful depends on the reader's familiarity with and understanding of, the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. Accordingly, investment decisions should not be based solely on such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “*Risk Factors*” on page 23 of this Draft Prospectus.

## **FORWARD LOOKING STATEMENTS**

All statements contained in this Draft Prospectus that are not statements of historical fact constitute forward-looking statements. All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements with respect to our business strategy, our revenue and profitability, our projects and other matters discussed in this Draft Prospectus regarding matters that are not historical facts. Investors can generally identify forward-looking statements by the use of terminology such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “may”, “will”, “will continue”, “will pursue”, “contemplate”, “future”, “goal”, “propose”, “will likely result”, “will seek to” or other words or phrases of similar import. All forward looking statements (whether made by us or any third party) are predictions and are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect.

Further, the actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the our Sector in India where we have our businesses and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and overseas which have an impact on our business activities or investments, the monetary and fiscal policies of India and other jurisdictions in which we operate, inflation, deflation, unanticipated volatility in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and / or acts of violence. Other important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- Our commercial success is largely dependent upon our ability to successfully anticipate market needs and utilize and manage our research and development resources to upgrade and enhance existing solutions and develop and introduce new solutions that meet the end users’ needs on a timely basis;
- As part of our growth strategy, we intend to expand our business operations to geographical areas in which we have limited operation history;
- We are highly dependent on technology in carrying out our business activities and it forms an integral part of our business;
- Our ability to remain competitive may be adversely affected by rapid technological changes and our ability to access such technology;
- Our business is substantially dependent on our key customers from whom we derive a significant portion of our revenues.

For further discussions of factors that could cause our actual results to differ, please see the section titled “**Risk Factors**”, “**Our Business**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” beginning on pages 23, 104 and 179 of this Draft Prospectus, respectively.

Neither our Company, our Directors, our Promoters, the Book Running Lead Manager nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company will ensure that investors in India are informed of material developments from the date of this Draft Prospectus until the time of the grant of listing and trading permission by the Stock Exchange.

## **SECTION II: SUMMARY OF DRAFT PROSPECTUS**

### **OVERVIEW OF INDUSTRY**

Despite 30 years of global climate advocacy and diplomacy, the international system has struggled to make the required progress on climate change. The potential failure to address this existential global risk first entered the top rankings of the Global Risks Report over a decade ago, in 2011. Today, atmospheric levels of carbon dioxide, methane and nitrous oxide have all reached record highs. Emission trajectories make it very unlikely that global ambitions to limit warming to 1.5°C will be achieved. A Failure to mitigate climate change is ranked as one of the most severe threats in the short term but is the global risk we are seen to be the least prepared for, with 70% of GRPS respondents rating existing measures to prevent or prepare for climate change as “ineffective” or “highly ineffective”

According to the Intergovernmental Panel on Climate Change (IPCC), the chance of breaching the 1.5°C target by as early as 2030 stands at 50%. Current commitments made by the G7 private sector suggest an increase of 2.7°C by mid-century, way above the goals outlined in the Paris Agreement.

Businesses have come to recognize that unless they act responsibly as members of the global community, they will only worsen the effects of climate change, putting not only our planet but also their ability to operate at risk. Instead of viewing environmental harm as an inevitable consequence of business operations, more and more businesses are recognizing that now is the time to be part of the solution.

Regulatory pressure as well as general public awareness and demand for more environmentally conscious companies means that businesses have to set increasingly ambitious goals when it comes to sustainability and the environment. In a lot of countries across the world, governments are starting to regulate this area, requiring that businesses take action to calculate their environmental impact and to take measures to reduce it. This brings into focus the role and expertise of Environmental Consultants and Environmental Consulting Firms.

Environmental consulting encompasses a huge scope of diverse work, from understanding regulatory requirements, to developing operational strategies, to the actual implementation of the strategy (something that varies hugely depending on the company and the operational changes). Environmental consulting is a highly specialized area that involves anything from financial modelling to climate engineering. An environmental consultant can be summed up as a professional who works to reduce the environmental impact of an organization's operations through the use of environmental data. Environmental consultants operate in a variety of different industries and may also go by the job title of environmental field consultant, environmental project manager, environmental audit consultant, environmental professional, or environmental analyst. In addition to the various different job titles given to the role, there are an equally wide range of sub-specialities that environmental consultants may choose to specialize in. For example: an environmental consultant may specialize in contaminated land assessment, energy, geotechnical investigations or engineering, environmental management systems, green claims, compliance, impact assessment, flood risk, carbon footprint management.

Environmental consulting helps to get the word out and raise awareness of environmental issues amongst businesses. Even where regulations exist requiring a company to take action, environmental consultant helps the company to develop and implement an attainable strategy. This encourages businesses to reconsider their relationship with the environment and educates those working in commercial environments on their impact.

### **OVERVIEW OF BUSINESS**

We are an environmental consulting company with 20+ years of experience, headquartered in Pune, India. Our key offerings include Consulting – Regulatory | Sustainability, Technology – Execution | Info Tech and Research – Policy | Engineering. We are one of the first companies in India providing environmental IT solutions through cutting-edge software applications and compliance solutions. We have diverse experience in handling complex projects across various industries like infrastructure, chemical, automobile, healthcare, manufacturing, real estate, and national/state governments. Our client base includes government, semi government organization, MNCs, large companies, mid-size companies and MSMEs.

### **OUR PROMOTERS**

The promoters of our Company are Ajay Ramakant Ojha and Prasad Rangrao Pawar.

## SIZE OF THE ISSUE

<b>Fresh Issue of Equity Shares by our Company</b>	Issue of upto 20,00,000 Equity Shares of ₹ 10.00 each for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share) aggregating to ₹ [●] Lakh.
<i>Out of which:</i>	
<b>Market Maker Reservation Portion</b>	[●] Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share) aggregating to ₹ [●] Lakh.
<b>Net Issue to the Public</b>	[●] Equity Shares of ₹ 10.00 each for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share) aggregating to ₹ [●] Lakh.

For further details, please refer to section titled “*Terms of the Issue*” beginning on page 208 of this Draft Prospectus

## OBJECTS OF THE ISSUE

The Net Proceeds of the Issue are proposed to be used in accordance with the details provided in the following table:

Particulars	₹ in Lakh	
		Amount
Investment in research and development (“R&D”) initiatives with includes hiring of experienced R&D resources and purchase of equipment to support R&D initiatives		140.00
Investment in office Premises		200.00
Refurbishment of new office Premises and purchase of office equipment’s		100.00
Expansion of our execution and support service teams including hiring of resources with expertise in environmental consulting.		180.00
Repayment of Bank facilities		270.00
General Corporate purposes		[●]
<b>Total</b>		[●]

## PRE-ISSUE & POST ISSUE SHAREHOLDING OF OUR PROMOTERS AND PROMOTER GROUP AS A PERCENTAGE OF THE PAID-UP SHARE CAPITAL OF THE COMPANY

Name of Shareholders	Pre – Issue		Post – Issue	
	No. of Shares	As a % of paid-up Equity Capital	No. of Shares	As a % of paid-up Equity Capital
<b>PROMOTERS</b>				
1. Ajay Ramakant Ojha	24,20,725	44.51	24,20,725	[●]
2. Prasad Rangrao Pawar	24,20,721	44.51	24,20,721	[●]
<b>TOTAL</b>	<b>48,41,446</b>	<b>89.02</b>	<b>48,41,446</b>	<b>[●]</b>

For further details, refer section titled “*Capital Structure*” beginning on page 60 of this Draft Prospectus

## SUMMARY OF RESTATED FINANCIAL INFORMATION

Particulars	₹ in lakhs other than share data		
	For the financial year ended on March 31,		
	2023	2022	2021
Equity Share Capital/ Partners Capital*	509.63	509.63	509.63
Net worth	633.63	355.86	296.43
Revenue from Operation	1,483.85	987.33	780.73
Profit after Tax	451.38	108.18	37.17
Basic & Diluted EPS (₹)	8.86	2.12	0.73
Return on Net worth (%)	71.24	30.40	12.54
Net Asset Value Per Share (₹)	12.43	6.98	5.82
Total Borrowings	287.40	285.86	450.71

\* This includes the partnership capital as well which was outstanding in the erstwhile Partnership Firm “Technogreen Environmental Solutions”. For further details in relation to the conversion of the partnership firm pls refer section titled “Our History and Certain Corporate Matters” beginning on page 120 of the Draft Prospectus.

Net Worth = Restated Equity Share Capital plus Reserves and Surplus minus partnership adjustments through loan account

Earnings per share (Basic & diluted) = Restated profit for the period divided by Restated weighted average number of Equity Shares outstanding during the Financial Year 2023

Net Asset Value per Equity Share = Restated Net worth divided by Restated weighted average number of Equity Shares outstanding at the end of the Financial Year 2023

## QUALIFICATION OF THE AUDITORS

The Auditors’ Report of Audited Restated Financial Statements does not contain any qualification which have not been given effect to in Restated Financial Statements.

## SUMMARY OF OUTSTANDING LITIGATION ARE AS FOLLOWS

A summary of pending legal proceedings and other material litigations involving our Company is provided below:

Category of individuals/entities	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by SEBI or Stock Exchange against our Promoters in the last five years, including action	Material civil litigation#	Aggregate amount involved* (Amount in Lakhs)
<b>Company</b>						
By the Company	--	--	--	--	5	510.33
Against the Company	--	5	--	--	--	1.73
<b>Directors</b>						
By the Directors	--	--	--	--	--	--
Against the Directors	--	1*	--	--	--	23.54
<b>Promoters</b>						
By the Promoters	--	--	--	--	--	--
Against the Promoters	--	1*	--	--	--	23.54

\*The e-proceedings belongs to Ajay Ramakant Ojha.

For the details of litigation proceedings, please refer the section titled “*Outstanding Litigations and Material Developments*” beginning on page 189 of this Draft Prospectus.

## RISK FACTORS

For details relating to risk factors, please refer section titled “*Risk Factors*” beginning on page 23 of this Draft Prospectus.

## SUMMARY OF CONTINGENT LIABILITIES

As on the date of filing this Draft Prospectus there is no contingent liability on the Company. As per Restated Financial Statements, no contingent liability exists for the financial years ended on March 31, 2023, 2022 and 2021.

## SUMMARY OF RELATED PARTY TRANSACTIONS

A summary of related party transaction disclosure as per AS-18 read with SEBI ICDR Regulations entered into by our Company with related parties including our Promoters, Promoter Group, Directors and their relatives.

### A. List of Related Parties and Relationship

#### 1. Key Managerial Personnel (KMP):

- Dr. Ajay Ojha
- Prasad Pawar
- Aniket Kadam

#### 2. Related Party:

- Wotastic Solutions Private Limited – Spouse of Director is Director
- Vijay Kadam – Father of KMP is proprietor
- Vibhawari Kadam – Mother of KMP is proprietor

### B. Transaction with Related Parties

(Rs in Lakh)

Particulars	For the financial year ended on		
	March 31, 2023	March 31, 2022	March 31, 2021
Sales	--	--	59.00
Purchase	10.85	29.49	4.72
Consultancy Expense	88.36	13.00	118.00
Remuneration	22.09	--	--
Loan Taken	46.85	--	7.50
Loan Repaid	88.30	--	7.50
<b>Outstanding Balance at the end of the year:</b>			
Advance	--	57.40	48.00
Creditors	--	5.30	4.50
Debtors	--	2.45	2.59

For details of the Related Party Transactions as reported in the Restated Financials, please refer "*Restated Financial Statements– Related Party Transaction*" beginning on page 150 of this Draft Prospectus.

## FINANCING ARRANGEMENTS

There have been no financing arrangements whereby our Promoters, members of Promoter Group, the Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of six (6) months immediately preceding the date of filing of this Draft Prospectus.

## WEIGHTED AVERAGE PRICE OF THE EQUITY SHARES ACQUIRED BY OUR PROMOTERS IN THE LAST ONE YEAR PRECEDING THE DATE OF THIS DRAFT PROSPECTUS

The weighted average price of Equity Shares acquired by our Promoters in the last one year preceding the date of this Draft Prospectus is as below:

Name of the Promoters	No. of Equity Shares held	Weighted Average Price (₹)
Ajay Ramakant Ojha	24,20,725	9.58
Prasad Rangrao Pawar	24,20,721	9.58

\*As certified by M/s Vishwas & Associates, Chartered Accountants, by way of their certificate dated July 27, 2023



### **AVERAGE COST OF ACQUISITION OF PROMOTERS**

The average cost of acquisition per Equity Share to our Promoters as at the date of this Draft Prospectus is:

<b>Name of the Promoters</b>	<b>No. of Equity Shares held</b>	<b>Average Cost of Acquisition (₹)</b>
Ajay Ramakant Ojha	24,20,725	9.58
Prasad Rangrao Pawar	24,20,721	9.58

*\*As certified by M/s Vishwas & Associates , Chartered Accountants, by way of their certificate dated July 27, 2023*

### **DETAILS OF PRICE AT WHICH EQUITY SHARES WERE ACQUIRED IN THE LAST THREE YEARS PRECEDING THE DATE OF THIS DRAFT PROSPECTUS BY OUR PROMOTERS, THE PROMOTER GROUP, OR SHAREHOLDER(S) WITH RIGHTS TO NOMINATE DIRECTOR(S) OR OTHER SPECIAL RIGHTS**

Except as disclosed below, none of our Promoters, members of our Promoter Group, or Shareholder(s) with rights to nominate Director(s) or other special rights have acquired Equity Shares in the last three years preceding the date of this Draft Prospectus:

<b>Name</b>	<b>Category</b>	<b>Date of Acquisition</b>	<b>No. of Equity Shares Acquired</b>	<b>Acquisition price per Equity Share</b>
Ajay Ramakant Ojha	Promoter	January 02, 2023	25,48,132	10.00
Prasad Rangrao Pawar	Promoter	January 02, 2023	25,48,127	10.00

### **PRE-IPO PLACEMENT DETAILS**

Our Company does not contemplate any issuance or placement of Equity Shares from the date of this Draft Prospectus till the listing of the Equity Shares.

### **ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE YEAR**

Other than as disclosed in “*Capital Structure*” beginning on page 60 of this Draft Prospectus, no Equity Shares have been issued by our Company for consideration other than cash as on the date of this Draft Prospectus.

### **SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR**

Our Company has not undertaken a split or consolidation of the Equity Shares in the one (1) year preceding the date of this Draft Prospectus.

### **EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI**

Our Company has not applied or received any exemption from complying with any provisions of Securities Law by SEBI.

### **SECTION III: RISK FACTORS**

*An investment in Equity Shares involves a high degree of financial risk. Investors should carefully consider all information in this Draft Prospectus, including the risks described below, before making an investment in our Equity Shares. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations, cash flows and financial condition could suffer, the price of the Equity Shares could decline, and you may lose all or part of your investment. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Issue including the merits and risks involved. Investors should consult their tax, financial and legal advisors about particular consequences to them of an investment in the Issue.*

*The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, such financial impact cannot be disclosed in such risk factors. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Any of the following risks, as well as the other risks and uncertainties discussed in this Draft Prospectus, could have a material adverse effect on our business and could cause the trading price of our Equity Shares to decline and you may lose all or part of your investment.*

*This Draft Prospectus also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Prospectus. See section titled “Forward Looking Statements” beginning on page 17 of this Draft Prospectus.*

*To obtain a better understanding of our business, you should read this section in conjunction with other sections of this Draft Prospectus, including the sections titled “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, “Industry Overview” and “Restated Financial Statements” on page 104, 179, 87 and 150 respectively of this Draft Prospectus, together with all other Restated Financial Statements contained in this Draft Prospectus. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Prospectus.*

*Unless otherwise stated, the financial data in this section is derived from our Restated Financial Statements for the financial years ended March 31, 2023, 2022 and 2021 as included in “Restated Financial Statements” beginning on 150 of this Draft Prospectus.*

#### **MATERIALITY**

*The Risk factors have been determined on the basis of their materiality. The following factors have been considered for determining the materiality:*

- Some events may not be material individually but may be found material collectively;
- Some events may have material impact qualitatively instead of quantitatively;
- Some events may not be material at present but may have material impact in future

#### **INTERNAL RISKS**

- 1. Our commercial success is largely dependent upon our ability to successfully anticipate market needs and utilize and manage our research and development resources to upgrade and enhance existing solutions and develop and introduce new solutions that meet the end users’ needs on a timely basis. Any failure to do so, might impact our ability to compete effectively and could make our products obsolete, thereby affecting our revenue, reputation, financial conditions, results of operations and cash flows.***

The environmental consulting industry is characterized by rapid technological change, evolving industry standards, and changing regulations, as well as changing customer needs, requirements, and preferences. The success of our business is dependent, in part, on our ability to anticipate, adapt, and respond effectively to these changes on a timely and cost-effective basis. We are engaged in the business of environmental consulting to our customers operating in diversified industries and are dependent on our research and development team (“R&D Team”) for a more proactive approach in development of technologies, closely monitoring market trends, engage in ongoing dialogue with clients to understand

their evolving needs, and invest in the continuous professional development of our teams to be able to meet the dynamic demands on environmental consulting assignments. We have, in recent quarters, increased our R&D efforts and expect to continue to dedicate significant financial and other resources to our R&D efforts in order to maintain our competitive position. We might have to invest a significant amount of our resources and funds in our R&D activities to ensure that we continue to provide new solutions to tap into emerging trends and evolving needs to our customers. As a result, we must continually modify and improve our offerings in response to changes in our customers' business operations and environmental regulations. The success of any enhancement to our existing offerings or the deployment of new offerings depends on several factors, including the timely completion and market acceptance. Any enhancement to our existing or new technology that we develop and introduce involves significant commitment of time and resources and is subject to a number of risks and challenges.

Investing in R&D, developing new solutions and enhancing existing solutions is an expensive and time consuming process, and there is no assurance that such activities will result in significant new marketable solutions or enhancements to our solutions, design improvements, cost savings, revenues or other expected benefits. If we spend significant time and effort on R&D and are unable to generate an adequate return on our investment, our business, results of operations and cash flows may be materially affected. If we fail or are perceived to fail to respond to the rapidly changing needs of our end-users by developing upgraded solutions and introducing them on a timely basis, our competitive position, reputation and business prospects could be harmed.

Although there have been no such instances/issues in the past wherein we have failed to anticipate, adapt, and respond effectively to the changes in the market needs on a timely and cost-effective basis or failed to successfully manage the risks and challenges in relation to new offerings, or where our new offerings, platform upgrades, and services were not competitive, however, in the event if we are not successful in managing these risks and challenges, or if our new offerings, platform upgrades, and services are not competitive or do not achieve market acceptance, our business, financial condition, and results of operations could be affected.

**2. *As part of our growth strategy, we intend to expand our business operations to geographical areas in which we have limited operation history. We cannot assure you that our expansion plans will be profitable or that such expansion will not adversely affect our business, results of operations and financial condition.***

As part of our growth strategy, we intend to expand our global footprint in GCC and US market, we have executed one project in Kingdom of Saudi Arabia where we constructed Phytorid based STP at Jeddah petrol mall as a demonstration project in 2018. Our limited operating history in international markets could make it difficult to evaluate our future prospects and the risks and challenges we may encounter. These risks and challenges include our ability to:

- accurately forecast our revenue and plan our expenses;
- retain and expand relationships with local customers;
- successfully introduce new technologies and solutions in foreign jurisdictions;
- successfully compete with local competitors;
- adapt to advanced technologies used in international markets and by international competitors as well as anticipate and respond to macroeconomic and technological changes and changes in the markets in which we operate;
- maintain and enhance the value of our reputation and brand;
- maintain and expand our collaborations in foreign markets;
- successfully execute on our business strategies globally;
- adapt to the ways clients interact with technology in different markets;
- hire, integrate, and retain talented technology, infotech, consultant, business development, and other personnel; and
- effectively manage rapid growth in our personnel and operations.

If we fail to address the risks and difficulties that we face, including those associated with the challenges listed above, our business, financial condition, and results of operations could be adversely affected. Further, because we have a limited historical financial data with respect to our international operations and since we operate in a rapidly evolving market, any predictions about our future revenue and expenses may not be as accurate as they would be if we had a longer operating history or operated in a more predictable market. If our assumptions regarding the risks and uncertainties, which we use to plan and operate our business in foreign markets, are incorrect or change, or if we do not address these risks successfully, our results of operations could differ materially from our expectations and our business, financial condition, and results of operations could be adversely affected.

3. ***We are dependent on technology in carrying out our business activities and it forms an integral part of our business. If we face failure of our technology platform, we may not be able to compete effectively which may result in lower revenue, higher costs and would affect our business and results of operations.***

Our continued growth depends on the diverse experience we have in handling complex environmental projects across industries and deep knowledge of environment related regulations across various government bodies. While there have been no instances of disruptions, outages and other performance problems with the technology infrastructure, and there have been no client complaints or claims, we have in the past, and we may in the future experience disruptions, outages and other performance problems with our technology infrastructure due to a variety of factors which includes inability to provide innovative solutions.

The adverse effects of any service interruptions on our reputation and financial condition may be disproportionately heightened due to the nature of our business and the fact that our client expect continuous and uninterrupted access to our solutions. Since our clients rely on our services to provide reliable, effective, and cutting-edge solutions to their environmental challenges. Failure to deliver on these expectations can damage the Company's reputation and weaken client relationships, resulting in reduced client retention and difficulty in acquiring new clients, result in the expenditure of significant financial, technical and engineering resources, subject us to financial penalties and liabilities under our service level agreements, and otherwise could affect our business, financial condition, and results of operations.

4. ***If our solutions fail to perform properly due to defects, delays or similar problems, and if we fail to develop enhancements to resolve any defect or other problems, we could lose customers, become subject to service performance or warranty claims or incur significant costs***

Our software development solutions involves technological complexity and have unique specifications which could contain design defects or software errors such as errors in coding or configuration that are difficult to detect and correct. Although we continually test our solutions for defects and work with customers to identify and correct errors, we cannot assure you that errors will not be found in new software product development solutions, Errors or defects may result in the loss of current customers and loss of, or delay in, revenues, loss of market share, loss of customer data, a failure to attract new customers or achieve market acceptance, diversion of development resources and increased technical support or service costs, injury to our brand and reputation and increased maintenance cost.

5. ***We are dependent on government authorities for a substantial proportion of our business and revenue. Any decline in the budgetary allocation towards infrastructure and environmental projects and delays in payments will have a material impact on our business, financial condition, and results of operations.***

Our business and revenues are substantially dependent on projects awarded by government and semi-government authorities. We expect that contracts awarded by government and semi-government authorities will continue to account for a considerable proportion of our business. For the Fiscals ending March 31, 2023, 2022 and 2021 our revenue from government and semi-government contract were ₹547.88 Lakh, ₹736.55 Lakh, and ₹470.21 Lakh, respectively, amounting to 36.92%, 74.60% and 60.23% respectively of the revenue from operations. There was no amount outstanding for those respective fiscal year.

In India, Infrastructure and environmental projects such as waste management, air quality management are controlled by relevant municipal corporations within States. Such authorities are largely dependent on state/central grants/budget allocation to execute such projects. Correspondingly, execution of government projects also exposes us to risk of delayed payments and delays in receiving clearances execution of such projects. Any changes in government policies, expenditures or fund allocations to Infrastructure and environmental projects and delays in payments or site clearances could materially affect our business, financial condition and results of operation.

6. ***We are dependent on a number of Key Managerial Personnel and our senior management, and the loss of, or our inability to attract or retain such persons could adversely affect our business, results of operations and financial condition.***

Our performance depends largely on the efforts, expertise and abilities of our Key Managerial Personnel, senior management, and our operational personnel who possess significant experience in the industry in which we operate. We believe that the inputs and experience of our KMP and senior management, in particular, and other key personnel are valuable for the development of our business, operations and the strategic directions taken by our Company. We cannot assure you that these individuals or any other member of our senior management team will not leave us or join a competitor or that we will be able to retain such personnel or find adequate replacements in a timely manner, or at all.

We may require a long period of time to hire and train replacement personnel when qualified personnel terminate their employment with our Company. Moreover, we may be required to substantially increase the number of our qualified personnel in connection with any future growth plans, and we may face difficulty in doing so due to the intense competition in the financial market and technology industry for such personnel. We may also be required to increase our levels of employee compensation more rapidly than in the past in order to remain competitive in retaining existing employees or attracting new employees that our business requires. The loss of the services of such persons may have an adverse effect on our business, results of operations and financial condition.

**7. *Our recent rapid growth may not be indicative of our future growth, and, if we continue to grow rapidly, we may not be able to manage our growth effectively***

We have experienced, and may continue to experience, rapid growth and organizational change, which has placed, and may continue to place, significant demands on our management, operational and financial resources. We plan to expand our international operations into other countries in the future, which will place additional demands on our resources and operations.

Further, in order to successfully manage our growth, our organisational structure has become, and may continue to become, more complex. We may need to scale and adapt our operational, financial and management controls further, as well as our reporting systems and procedures to manage this complexity and our increased responsibilities as a public listed company. This will require us to invest in and commit significant financial, operational and management resources to grow and change in these areas without undermining the corporate culture that has been critical to our growth so far. These investments will require significant expenditures, and any investments we make will occur in advance of the benefits from such investments, making it difficult to determine in a timely manner if we are efficiently allocating our resources. If we do not achieve the benefits anticipated from these investments, or if the achievement of these benefits is delayed, or if we are unable to achieve a high level of efficiency as our organisation grows, in a manner that preserves the key aspects of our culture, our business, results of operations and financial condition may be adversely affected.

**8. *Our industry is competitive, and we face significant competition from both established and new companies offering environmental consultancy solutions, which may have a negative effect on our ability to add new customers, retain existing customers and grow our business. Our inability to compete effectively will adversely affect our business, results of operations, financial condition and cash flows.***

The environmental consulting industry is competitive, and we expect competition to increase in the future from established competitors and new market entrants. We face competition including from large global consulting Firms like KPMG, E&Y, PWC and Deloitte. These companies could have significant name recognition, considerable resources and existing IT infrastructures, and powerful economies of scale and scope, which allow them to rapidly develop and deploy new solutions.

Many of our existing competitors have, and some of our potential competitors could have, substantial competitive advantages such as greater name recognition and brand awareness, longer operating histories, larger customer bases, larger sales and marketing budgets and resources, broader distribution and established relationships with partners and customers, greater professional services and customer support resources, greater resources to make acquisitions and enter into strategic partnerships, lower labor and research and development costs, larger and more mature intellectual property portfolios, and substantially greater financial, technical and other resources. In addition, some of our larger competitors have substantially broader product offerings and leverage their relationships based on other products they offer or incorporate functionality into existing products to gain business.

In addition, some of our competitors may enter into new alliances with each other or may establish or strengthen cooperative relationships with third-party consulting firms, or other parties. Although, the above-mentioned events have not occurred in the past, any failure to meet and address the foregoing could adversely affect our business, financial condition, and results of operations.

**9. *Substantial portion of our revenues are dependent on few customers other than government and semi-government and the loss of, or a significant reduction of one or more such customers could adversely affect our financial performance.***

We derive a significant portion of our revenues from a limited number of customers. For the year ended March 31, 2023, 2022 and 2021 our top 10 customers other than government and semi-government cumulatively accounted for approximately 51.65%, 26.92%, and 30.82% respectively of our total revenue from operations as per the Restated

Financial Statements. In the event any one or more customers cease to continue doing business with us, our business may be adversely affected. The loss of such customers may be caused mainly because of competition and technological advancements. There may be factors other than our performance, which may not be predictable, which could cause loss of customers. Further, any significant reduction in demand from our key customers, any requirement to lower the price offered by these customers, or any loss or financial difficulties caused to these customers, change in relationship with the customers could have a material effect on our business, result of operations, financial condition and cash flow.

**10. Our Company does not have any long-term agreements with clients and is subject to uncertainties in demand for our services.**

We do not have any long-term agreements with our clients and such all such assignments are project based, technology driven offering being subscription based and typically terminable by our clients without cause on a short notice period. As a result, our clients can terminate their relationship with us due to circumstances beyond our control, such as more competitive option offered by our competitors which could materially impact our business. We believe that we have satisfactory business relations with our clients and have received a constant flow of business assignments from them in the past but there is no certainty that the same will continue in the future, which could materially affect our business, results of operations and financial condition.

**11. Employee fraud or misconduct could harm us by impairing our ability to attract and retain clients and subject us to significant legal liability and reputational harm.**

Our business is exposed to the risk of employee misappropriation, fraud or misconduct. Our employees could make improper use or disclose confidential information, which could result in regulatory sanctions and serious reputational or financial harm. While we strive to monitor, detect and prevent fraud or misappropriation by our employees, through various internal control measures, we may be unable to adequately prevent or deter such activities in all cases.

While we have not been able to identify such issues in the past, there could be instances of fraud and misconduct by our employees, which may go unnoticed for certain periods of time before corrective action is taken. In addition, we may be subject to regulatory or other proceedings, penalties or other actions in connection with any such unauthorized transaction, fraud or misappropriation by our agents or employees, which could adversely affect our goodwill, business prospects and future financial performance. We may also be required to make good any monetary loss to the affected party. Even when we identify instances of fraud and other misconduct and pursue legal recourse or file claims with our insurance carriers, we cannot assure you that we will recover any amounts lost through such fraud or other misconduct.

**12. There is an outstanding legal proceeding involving our Company. Any adverse decision in such proceeding may have a material effect on our business, results of operations and financial condition.**

We are involved in a taxation related matter which is pending for adjudication before appellate authority.

We cannot provide assurance that the said matter will be decided in our favour. Any adverse decision in the proceeding may have a significant effect on our business, results of operations, cash flows and financial condition. A summary of the pending civil and other proceeding involving the Company is provided below:

Category of individuals/entities	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by SEBI or Stock Exchange against our Promoters in the last five years, including action	Material civil litigation#	Aggregate amount involved* (Amount in Lakhs)
<b>Company</b>						
By the Company	--	--	--	--	5	510.33
Against the Company	--	5	--	--	--	1.73
<b>Directors</b>						
By the Directors	--	--	--	--	--	--
Against the Directors	--	1*	--	--	--	23.54

Promoters							
By the Promoters							
Against the Promoters	--	1*	--	--	--	--	23.54

*\*The e-proceedings belongs to Ajay Ramakant Ojha.*

For further details of legal proceedings involving the Company, please see “**Outstanding Litigations and Material Developments**” beginning on page 189 of this Draft Prospectus.

**13. We face risk with regards to length of time needed to complete each project and there could be unscheduled and uncontrollable delays and cost overruns in relation to our ongoing and future projects.**

As on the date of this Draft Prospectus, our Company is recognized by our clients for quality and timely execution of the projects undertaken. There have been a few instances of unscheduled and uncontrollable delays in past with respect to our completed projects and phases thereof, however these have not resulted in any material cost overruns, and any cost overruns have been recovered from the project. However, our business is extremely dynamic in nature and there could be unscheduled delays and cost overruns in relation to our ongoing or forthcoming projects. During the time there can be changes to the national, state and local business conditions and regulatory environment, local market conditions, perception of prospective clients with respect to the convenience and attractiveness of the project and changes with respect to competition from other companies. Further, any changes to the business environment such as non-availability of raw materials or increase in cost of construction materials during such time may affect the cost and revenues associated with the project and may ultimately affect the timelines of a project. We cannot assure you that we will be able to complete our projects within the expected budgets and time schedules at all. We may be penalized from the regulatory authorities as well as our client for delay in completion of project.

**14. We have not placed 100% orders for the capital equipment to be purchased for office premises and R&D centres from the proceeds of this Issue.**

Our Company has received third party quotations for the capital equipment required for office premises and R&D centre. For details please see “**Objects of the Issue**” on page 70 of this Draft Prospectus. Although, we have identified the capital equipment to be purchased for our office premises and R&D centre, we are yet to place order for 100% of the capital equipment worth ₹ 15.85 Lakh. The cost of the capital equipment is based on the quotations received from suppliers and such quotations are subject to change due to various factors such as, change in supplier of equipment, change in management’s view of desirability of the current plans, possible cost overruns, etc. Since, we have not yet placed orders for 100% of the capital equipment we cannot assure that we will be able to procure the same in a timely manner and at the same price at which the quotations have been received. Delay in procurement of the same can cause time and cost overrun and can also compel us to buy such capital equipment at a higher price, thus causing the budgeted cost to vary. As a result our business, financial condition, results of operations and prospects could be materially affected.

**15. Our operations could be affected by strikes or increased wage demands by our employees or any other kind of disputes with our employees.**

As on the date of the Draft Prospectus, we employed 68 personnel across our operations. Although we have not experienced any employee unrest in the past, we cannot assure you that we will not experience disruptions in work due to disputes or other problems with our work force, which may affect our ability to continue our business operations. Any employee unrest directed against us, could directly or indirectly prevent or hinder our normal operating activities, and, if not resolved in a timely manner, could lead to disruptions in our operations. These actions are impossible for us to predict or control and any such event could affect our business, results of operations and financial condition.

Further we may also enter into contracts with independent contractors and service providers to complete specific assignments and these contractors and service providers would be required to provide the workforce necessary to complete such assignments by hiring contractual staff. Although we may not engage the workforce directly and our contracts with such independent contractors and service providers may contain indemnity provisions to protect us from any claims by statutory authorities, we may be held responsible for payments to workforce engaged by the contractors should the contractors default on their payments. The occurrence of such events could affect our business, results of operations and financial condition.

Additionally, none of our employees are affiliated with any labour unions. However, there can be no assurance that our employees will not form a union, join any existing union or otherwise organize themselves. India has stringent labour

legislations that protect the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. Although, we currently have harmonious relations with our employees and they are not unionized at present, there can be no assurance that we will continue to have such relations. If our relations with our employees are strained, it may become difficult for us to maintain our existing labour policies, and our business may be affected.

**16. *Our Company proposes to utilize part of the Net Proceeds for repayment or pre-payment in full or part of secured loans availed by our Company from ICICI Bank and accordingly, the utilization of that portion of the Net Proceeds will not result in creation of any tangible assets.***

Our Company intends to use some portion of the Net Proceeds for the purposes of repayment or pre-payment, in full or part, of secured loans taken-over by our Company from ICICI Bank. The details of the loans identified to be repaid or prepaid using the Net Proceeds have been disclosed in the section titled '**Objects of the Issue**' beginning on page 70 of this Draft Prospectus. However, the repayment of the cash credit are subject to various factors including, prepayment penalty. While we believe that utilization of Net Proceeds for repayment of secured loans would help us to reduce our cost of debt and enable the utilization of our internal accruals for further investment in business growth and expansion, the pre-payment of loans will not result in the creation of any tangible assets for our Company.

**17. *If our third-party service providers and key vendors are not able to or do not fulfil their service obligations, our operations could be disrupted and our operating results could be harmed***

We engage with a number of service providers and key vendors, such as civil contractors, fabricators, material suppliers and other functional area experts to execute certain projects. Our operations could be disrupted if we do not successfully manage relationships with our service providers, if they do not perform or are unable to perform agreed-upon services, or if they are unwilling to make their services available to us at reasonable prices. There have been no instances in the past owing to the failure of the third-party service providers and key vendors to fulfil their service obligations that has resulted an impact on our business, operations and financials. However, if our service providers and vendors do not perform their service obligations, it could affect our reputation, business, financial condition and results of operations.

**18. *Our funding requirements and proposed deployment of the Net Proceeds have not been appraised by a bank or a financial institution and if there are any delays or cost overruns, we may have to incur additional cost to fund the objects of the Offer because of which our business, financial condition and results of operations may be affected.***

We intend to utilize the Net Proceeds of the Issue as set forth in the section titled "**Objects of the Issue**" beginning on page 70 for (a) Investment in research and development ("R&D") initiatives with includes hiring of experienced R&D resources and purchase of equipment to support R&D initiatives; (b) Investment in office Premises; (c) Refurbishment of new office premises and purchase of office equipment's; (d) Expansion of our execution and support service teams including hiring of resources with expertise in environmental consulting; (e) repayment or prepayment loans of our Company and (f) general corporate purposes. The fund requirement mentioned as a part of the objects of the Issue is based on internal management estimates and has not been appraised by any bank or financial institution. This is based on current conditions and is subject to change in light of changes in external circumstances, costs, other financial condition or business strategies. Our actual deployment of funds may be higher than our management estimates and may cause an additional burden on our finance plans, as a result of which, our business, financial condition, results of operations and cash flows could be materially impacted.

Furthermore, we may need to vary the objects of the Issue due to several factors or circumstances including competitive and dynamic market conditions, variation in cost structures, changes in estimates due to cost overruns or delays, which may be beyond our control. Pursuant to Section 27 of the Companies Act, 2013, any variation in the objects of the Issue would require a special resolution of our shareholders, and our Promoters or controlling shareholders will be required to provide an exit opportunity to our shareholders who do not agree to such variation. If our shareholders exercise such an exit option, our share price may be affected.

**19. *If we do not set optimal prices for our service and offerings, our business, financial condition, and results of operations could be adversely affected***

We generally quote prices for our services and solutions on a case-to-case basis, depending upon the specific requirement of our customers or the length of the commitment of our services. Since, we do not have a standard price set for our



services offering, we may have to adjust our prices either for individual customers in connection with long-term agreements or for a particular offering. Further, as competitors revise or reduce their prices, we may be unable to attract new customers or retain existing customers based on our historical pricing. We believe as we expand internationally, we also must determine the appropriate price to enable us to compete effectively in each respective geographic region. If we do not optimally price our service offerings and manage risks related to changing our prices or pricing model, our business, financial condition, and results of operations could be adversely affected.

**20. *We have in the past entered into related party transactions and may continue to do so in the future***

We have entered into several transactions with related parties. For further details, please refer the ‘*Related Party Transactions*’ under section titled “*Restated Financial Statement*” beginning on page 150 of this Draft Prospectus. While we believe that all such transactions have been conducted on an arm’s length basis, in accordance with our related party transactions policy and contain commercially reasonable terms, we cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. It is likely that we may enter into related party transactions in the future. Such related party transactions may potentially involve conflicts of interest. Although all related party transactions that we may enter into post-listing, will be subject to Board or shareholder approval, as necessary under the Companies Act, 2013 and the Listing Regulations, we cannot assure you that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations or that we could not have achieved more favourable terms if such transactions had not been entered into with related parties.

**21. *Our Company has not insured for specific risks associated with the business. Our inability to maintain adequate insurance cover in connection with our business may affect our operations and profitability.***

Our Company has not insured for any other risks related to running the business. Such risks include the following but not limited to:

- Professional Liability/ Error and Omissions;
- General Liability;
- Workers’ Compensation; and
- Commercial Property which includes standard fire and special perils for furniture and electronics and burglary & house break

Although our Company has not experienced any such risk affecting the business and company at large, we cannot assure you that, we will not experience any such event in the future. We cannot assure you that our Company will be able to mitigate the loss or protect the business or its employees in case of any unfortunate event. Our business can be affected due to unexpected events, which could cause us to suffer various damages and losses, ultimately affecting our business and results of operations.

**22. *If we are unable to attract new customers, retain customers at existing levels or sell additional functionality and services to our existing customers, our revenue growth will be adversely affected***



To continue to grow our business, it is important that we continue to acquire new customers. Our success in adding new customers depends on numerous factors, including our ability to (1) offer a compelling service offering and effective technology solution, (2) execute our sales and marketing strategy, (3) attract, effectively train, and retain new sales, marketing, professional services, and support personnel, (4) develop or expand relationships with partners, (5) expand into new geographies and vertical markets, (6) deploy our service and technology offerings for new customers, (7) provide quality customer support once deployed, (8) effectively manage and forecast our customer count, and (9) expand our use cases for our existing customers.

If we are unable to successfully acquire new customers, retain our existing customers, or expand sales to existing customers, our business, financial condition, and results of operations could be adversely affected.

**23. *We could incur substantial costs in protecting or defending our proprietary rights, and any failure to adequately protect our rights could impair our competitive position and we may lose valuable assets, experience reduced revenue and incur costly litigation to protect our right.***

Our success and ability to compete depends, in part, on our ability to protect our trade secrets, trademarks, know-how, confidential information, proprietary methods and technologies and other intellectual property and proprietary rights, so that we can prevent others from using our inventions, proprietary information and property. We generally rely on common

law trade secret and trademark laws, and confidentiality or license agreements with our employees, consultants, vendors, customers and other third parties, and generally limit access to and distribution of our proprietary information, in order to protect our intellectual property rights and maintain our competitive position, however, we cannot guarantee that the steps we take to protect our intellectual property rights will be effective.

As on the date of this Draft Prospectus, our Company has made an application with the Registrar of Trademark for registration of logo “” and  which is currently registered in the name of the erstwhile Partnership firm, TECHNOGREEN ENVIRONMENTAL SOLUTIONS which is used by us. If we fail to protect our intellectual property rights adequately, our competitors might gain access to our technology or use of our brand, and our business might be adversely affected. Moreover, third parties may independently develop technologies or products that compete with ours, and we may be unable to prevent this competition. We might be required to spend significant resources to defend, monitor, and protect our intellectual property rights, such as by initiating claims or litigation against third parties for infringement of our proprietary rights or to establish the validity of our proprietary rights. While there have been no litigations in the past three fiscals pertaining to trade secrets, trademarks, know-how, confidential information, proprietary methods and technologies and other intellectual property and proprietary rights of our Company and there are no outstanding litigations against our Company in relation to our intellectual property. However, we may not prevail in any lawsuits that we may initiate, and the damages or other remedies awarded, if any, may not be adequate to compensate us for the harm suffered. Additionally, we may provoke third parties to assert counterclaims against us. Any litigation, whether or not it is resolved in our favour, could result in significant expense to us and divert the efforts of our technical and management personnel, which may adversely affect our business operations or financial results.

**24. *We may be accused of infringing or misappropriating intellectual property rights or confidential know how of third parties which could subject us to litigations and other actions.***

Claims by third parties that we infringe, misappropriate or otherwise violate their proprietary technology or other intellectual property rights could harm our business. A number of companies in our industry hold a large number of patents and also protect their copyrights, trade secrets and other intellectual property rights, and there is considerable patent and other intellectual property development activity in our industry. While there have been no litigations in the past three fiscals pertaining to intellectual property and proprietary rights of our Company and there are no such outstanding litigations against our Company, however as we face increasing competition and become increasingly high profile, the possibility of receiving a larger number of intellectual property claims against us grows.

In addition, the intellectual property portfolios of many of our competitors are larger than ours, and this disparity may increase the risk that our competitors may sue us for intellectual property infringement and may limit our ability to counterclaim for such infringement or settle through patent cross-licenses. Our use of third-party software and other intellectual property rights also may be subject to claims of infringement or misappropriation. Although, there have been no instances in the past where we have been accused of infringing or misappropriating intellectual property rights or confidential know how of third parties, a claim may, for instance, be made relating to technology that we acquire or license from third parties. In addition, to the extent we hire personnel from competitors; we may be subject to allegations that such personnel have divulged proprietary or other confidential information to us. Further, we may be unaware of the intellectual property rights of others that may cover some or all of our technology and may be required to indemnify our customers for liability arising from intellectual property infringement claims with respect to our software. These indemnification obligations could be significant and we may not have adequate insurance coverage to protect us against all claims.

Any claim of infringement, misappropriation or other violation, regardless of its merit or our defences, could:

- require costly litigation to resolve or the payment of substantial damages, ongoing royalty payments, or other significant amounts to settle such disputes;
- require significant management time and attention;
- cause us to enter into unfavourable royalty or license agreements, which may not be available on commercially reasonable terms, if at all;
- require us to discontinue the sale of some or all of our service offerings, remove, or reduce features or functionality of our service offerings or comply with other unfavourable terms;
- require us to indemnify our customers or third-party service providers; or
- require us to expend additional development resources to redesign our service offerings.

Any of the foregoing could adversely affect our business, financial condition, and results of operations.

**25. *Our Registered Office, Branch Offices and project offices are taken on lease and we cannot assure you if such lease will be renewed from time to time.***

We are currently operating from Registered office situated at Office Flat-202, Hem Opal Apartment, Plot No. 26, Ekta Society, Wakdewadi, Pune – 411003, Maharashtra, India and the same is not owned by us and is taken on Leave & License basis from our promoter Ajay Ramakant Ojha for a period of 11 months commencing from January 01, 2023 and expiring on November 30, 2023.

Our branch and project offices situated at Delhi, Sonipat, Indore, Solan is not owned by us and is taken on Lease basis for a period of 11 months and in Mumbai which is taken on Lease for a period of 36 months. Further, we cannot assure you that we will be able to continue the above arrangement on commercially acceptable / favorable terms in future. For further details, see section “**Our Business**” beginning on page 104 of this Draft Prospectus. If we are required to vacate the current premises’, we would be required to make alternative arrangements for new offices and other infrastructure, and we cannot assure that the new arrangements will be on commercially acceptable/favorable terms. If we are required to relocate our business operations during this period, we may suffer a disruption in our operations or have to pay higher charges, which could have an effect on our business, prospects, results of operations and financial condition.

**26. *Our inability to obtain, renew or maintain our statutory and regulatory permits and approvals required to operate our business may lead to interruptions of our Company’s operations.***

We will be required to renew permits and approvals in relation to our existing operations and obtain new permits and approvals for any proposed operations as may be required under the applicable laws of the sector or region that we are operating in. There can be no surety that we will be able to obtain all the permits or approvals in the time-frame anticipated by us or at all. Our failure to renew, maintain or obtain the required permits or approvals in a timely manner, may result in the interruption of our operations and may have a material adverse effect on our business, financial condition and results of operations. Compliance with many of the regulations applicable to our operations may involve incurring costs and otherwise may impose restrictions on our operations. Previously, we were a Partnership firm in the name of “Technogreen Environmental Solutions” and after complying with the relevant provisions and procedures of Companies Act 2013, the firm was converted into Public limited company followed by the incorporation of the company as “Techknowgreen Solutions Limited”. There are some of the approvals which are in the name of the erstwhile partnership firm, for which we are taking necessary steps for transferring the said approvals in the name of our company. In case we fail to transfer/obtain the said approvals in the name of our company, the same may adversely affect our business or we may not be able to carry our business. We cannot assure you that we will not be subject to any adverse regulatory action in the future. If the interpretation of the regulators and authorities varies from our interpretation, we may be subject to penalties and the business of our Company could be adversely affected. If we fail to obtain or retain any of these approvals or licenses, or renewals thereof, in a timely manner, or at all, our business may be adversely affected. If we fail to comply, or a regulator claims we have not complied, with any of the terms and conditions stipulated under any of our licenses or permits, one or several of our licenses and certificates may be suspended or cancelled and we shall not be able to carry on the activities permitted thereunder. For further information, see “**Government and Other Statutory Approvals**” beginning on page 193 of this Draft Prospectus.

**27. *Our Promoters and members of the Promoter Group have significant control over the Company and have the ability to direct our business and affairs; their interests may conflict with your interests as a shareholder.***

As of the date of this Draft Prospectus, our Promoters and Promoter Group holds 89.20% of pre-Issue share capital of our Company. Furthermore, after the completion of this Issue, our Promoters and Promoter Group will control, directly or indirectly our Company and continue to hold substantial percentage of the issued and paid-up equity share capital of our Company. As a result, our Promoters and Promoter Group will continue to exercise significant control over us, including being able to control the composition of our Board and determine decisions requiring simple or special majority voting of shareholders, and our other shareholders may be unable to affect the outcome of such voting. Our Promoters and Promoter Group may take or block actions with respect to our business which may conflict with the best interests of our Company or that of minority shareholders. We cannot assure you that our Promoters and Promoter Group will exercise their rights as shareholders to the benefit and best interest of our Company.

**28. *Any international expansion efforts may expose us to complex management, legal, tax and economic risks, which could adversely affect our business, financial condition, cash flows and results of operations***

As we grow our consumer base in India, we also aim to selectively explore and evaluate expansion into international markets. For further details, see “**Our Business**” beginning on page 104. Although, we are domiciled in India, we have an

overseas presence in Kingdom of Saudi Arabia. Our inability to manage our expansion effectively and execute our growth strategy in a timely manner, or within budget estimates or our inability to meet the expectations of our stakeholders could have an adverse effect on our business, results of operations, cash flows and financial condition. Further, we may face competition in other countries from companies that may have more experience with operations in such countries or with international operations generally. We may also face difficulties in integrating new technologies in different countries into our existing operations, as well as integrating employees that we hire in different countries into our existing corporate culture.

Any international expansion may also be loss-making in the initial years or beyond due to a lack of scale or higher operating costs. There could also be legal and regulatory requirements for our existing or new solutions and new geographies generally, including relating to intellectual property usage and registration, data protection including GDPR, money-laundering and tax, which we may not have adequately anticipated and considered, which could impact the project timelines, launch dates or our ability to offer our solutions. We cannot assure you that our existing or future management, operational and financial systems, procedures and controls will be adequate to support our future operations, or establish or develop business relationships beneficial to our future operations. Failure to manage growth effectively could have an adverse effect on our business, results of operations, cash flows and financial condition.

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

We have relied on the reports of certain independent third party for purposes of inclusion of such information in this Draft Prospectus. These reports are subject to various limitations and based upon certain assumptions that are subjective in nature. We have not independently verified data from such industry reports and other sources. Although we believe that the data may be considered to be reliable, their accuracy, completeness and underlying assumptions are not guaranteed and their dependability cannot be assured. While we have taken reasonable care in the reproduction of the information, the information has not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Draft Prospectus.

**30. *We have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. Further we have not identified any alternate source of financing the Objects of the Issue. Any shortfall in raising / meeting the same could adversely affect our growth plans, business operations and financial condition***

As on date of this Draft Prospectus, we have not made any alternate arrangements for meeting our capital requirements for some of the objects of the Issue. We meet our capital requirements through, owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this Issue or any shortfall in the Issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details, please refer to the section titled “*Objects of the Issue*” beginning on page 70 of this Draft Prospectus.

**31. *The continuing impact of the COVID-19 pandemic on our business and operations is uncertain and it may be significant and continue to have an adverse effect on our business, operations and our future financial performance.***

An outbreak of COVID-19 was recognized as a pandemic by the WHO on March 11, 2020. In response to the COVID-19 outbreak the governments of many countries, including India, had taken and may continue to take preventive or protective actions, such as imposing country-wide lockdowns, restrictions on travel and business operations and advising or requiring individuals to limit time spent outside of their homes. Temporary closures of businesses were ordered, and numerous other businesses were temporarily closed on a voluntary basis as well. For most of Fiscal 2021, the COVID-19 pandemic caused widespread and prolonged lockdowns throughout India. The nationwide lockdown in India during

March and April 2020 resulted in the full closure of economic activity (except for essential services) for four weeks in Fiscal 2021,

Further, the lockdown was again imposed by the government in some parts of India during April 2021, which was partially relaxed in June 2021, during this lockdown although we have continued with our business, the execution of our business operations was delayed by few weeks. We cannot predict the degree to, or the time period over, which our business will be affected by the COVID-19 outbreak. If the COVID-19 pandemic persists, whether through the outbreak of new virus strains or otherwise, further lockdowns and travel disruptions may occur, factory closures may be required, and we may experience lower economic activity levels. There are numerous uncertainties associated with the COVID-19 outbreak and associated disruptions to economic activity, including impact on our resources, customers, suppliers and other business partners, and each of their financial conditions; however, any material effect on these parties could adversely impact us.

**32. *In addition to the existing indebtedness our Company, may incur further indebtedness during the course of business.***

As on March 31, 2023 the total fund-based indebtedness of our Company is ₹ 284.63 Lakh. In addition to the indebtedness for the existing operations, our Company may incur further indebtedness during the course of the business. We cannot assure you that our Company will be able to obtain further loans at favourable terms. Increased borrowings, if any, may affect our debt-equity ratio and our ability to borrow at competitive rates. In addition, we cannot assure you that the budgeting of our working capital requirements for a particular year will be accurate. There may be situations where we may under-budget our working capital requirements, which may lead to delays in arranging additional working capital requirements, loss of reputation, levy of liquidated damages and can cause an effect on our cash flows.

We have not defaulted in our loans. However, any failure to service the indebtedness of our Company or otherwise perform our obligations under our financing agreements entered with our lenders or which may be entered into by our Company, could trigger cross default provisions, penalties, acceleration of repayment of amounts due under such facilities which may cause an effect on our business, financial condition and results of operations. For details of our indebtedness, please refer to the section titled — “*Statement of Financial Indebtedness*” on page 187 of this Draft Prospectus.

**33. *Our Promoters and promoter group, namely, Ajay Ramakant Ojha and Prasad Rangrao Pawar and Monali Pawar, has provided personal guarantee for loans availed by us. In event of default of the debt obligations, the personal guarantees may be invoked thereby adversely affecting our Promoter’s ability to manage the affairs of our Company and our Company’s profitability and consequently this may impact our business, prospects, financial condition and results of operations.***

Our Company has availed loans in the ordinary course of business. Our Promoters and promoter group, namely Mr. Ajay Ramakant Ojha and Prasad Rangrao Pawar jointly with Monali Pawar have provided personal guarantee in relation to certain loans availed by our Company, for details please see “*Statement of Financial Indebtedness*” on page 187. In the event of default in repayment of the loans by the Company, the personal guarantee extended by our Promoters and Promoter group may be invoked by our lenders thereby adversely affecting our Promoter’s and Promoter Group ability to manage the affairs of our Company and this, in turn, could adversely affect our business, prospects, financial condition and results of operations.

**34. *We may not be able to scale our business quickly enough to meet our customers’ growing needs and if we are not able to grow efficiently, our operating results could be harmed.***

We have experienced significant growth in our customer base, which has placed a strain on our management, administrative, operational and financial infrastructure. We anticipate that additional investments in our infrastructure and research and development spending will be required to scale our operations and increase productivity, to address the needs of our customers, to further develop and enhance our service, and to expand into new geographic areas.

Our success will depend in part upon the ability of our senior management to manage our projected growth effectively. To do so, we must continue to increase the productivity of our existing employees and to hire, train and manage new employees as needed. To manage the expected domestic and international growth of our operations and personnel, we will need to continue to improve our operational, financial and management controls and our reporting systems and procedures. The additional investments we are making will increase our cost base, which will make it more difficult for us to offset any future revenue shortfalls by reducing expenses in the short term. While we have not experienced any shortcomings in the past in successfully scaling our operations and increasing productivity, however if we fail to achieve

the same in the future, we will be unable to execute our business plan, which could materially adversely affect our business prospects and results of operations.

**35. *Increases in operational costs could adversely affect our results of operations.***

Factors such as inflation, increased employee benefit costs (by regulation or otherwise), increased rental costs, and increased energy costs may increase our operating costs. Further, to maintain our operational costs and margins, it is imperative to optimize the expansion of business operations and service offerings. Many of the factors may also affect our vendors and consultants, which are beyond their control. Although, there have been no such instances in the past, any future increase in the operational costs may cause our vendors and consultants to spend less time providing services to seek alternative sources of income.

**36. *We may need to seek additional financing in the future to support our growth strategies. Any failure to raise additional financing could have an adverse effect on our business, results of operations, financial condition and cash flows***

We will continue to incur expenditure in maintaining and growing our existing infrastructure, develop and implement new technologies as part of our service offerings. Our strategy to grow our business may require us to raise additional funds for our working capital or long-term business plans. While we have historically funded our capital expenditure, primarily through internal accruals and cash flow from operations, we cannot assure you that we will have sufficient capital resources for our current operations or any future expansion plans that we may have. If our internally generated capital resources and available credit facilities are insufficient to finance our capital expenditure and growth plans, we may, in the future, have to seek additional financing from third parties, including banks, venture capital funds, joint-venture partners and other strategic investors. Our ability to arrange financing and the costs of capital of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from banks, investor confidence, the continued success of our operations and other laws that are conducive to our raising capital in this manner. If we decide to meet our capital requirements through debt financing, we may be subject to certain restrictive covenants. Our financing agreements may contain terms and conditions that may restrict our ability to operate and manage our business, such as terms and conditions that require us to maintain certain pre-set debt service coverage ratios and leverage ratios and require us to use our assets, including our cash balances, as collateral for our indebtedness. If we are unable to obtain such financing in a timely manner, at a reasonable cost and on acceptable terms or at all, we may be forced to delay our expansion plans, downsize or abandon such plans, which may materially affect our business, financial condition and results of operations, as well as our future prospects.

**37. *Any delays and/or defaults in customer payments could result in increase of working capital investment and/or reduction of our Company's profits, thereby affecting our operation and financial condition.***

Our financial position and financial performance are dependent on the creditworthiness of our customers. As per our business network model, we generally take advance payment from customers. We periodically review the payments due from customers, and the outstanding trade receivables of our Company and actively pursue such customers to make such payments. Except as stated in the section titled “*Outstanding Litigation and Material Developments*” beginning on page 189 of the Draft Prospectus, there are no other instances of material default from customers which have occurred in the past. We cannot assure you that payments from all or any of our customers will be received in a timely manner or to that extent will be received at all. If a customer defaults in making its payments on an assignment on which our Company has devoted significant resources, or if an assignment in which our Company has invested significant resources is delayed, cancelled or does not proceed to completion, it could have a material adverse effect on our Company's results of operations and financial condition. There is no guarantee on the timeliness of all or any part of our customers' payments and whether they will be able to fulfill their obligations, which may arise from their financial difficulties, deterioration in their business performance, or a downturn in the global economy. If such events or circumstances occur, our financial performance and our operating cash flows may be adversely affected.

**38. *Our future fund requirements, in the form of further issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the Shareholders depending upon the terms on which they are eventually raised.***

We may require additional capital from time to time depending on our business needs. Any further issue of Equity Shares or convertible securities would dilute the shareholding of the existing Shareholders and such issuance may be done on terms and conditions, which may not be favorable to the then existing Shareholders. If such funds are raised in the form of loans or debt or preference shares, then it may substantially increase our fixed interest/dividend burden and decrease our cash flows, thus adversely affecting our business, results of operations and financial condition.

**39. Our Promoters, Directors, Key Managerial Personnel and one of our Group Companies have interests in our Company other than reimbursement of expenses incurred or normal remuneration or benefits.**

Our Promoters, Directors, Key Managerial Personnel and one of our Group Companies, may be deemed to be interested in our Company, in addition to the regular remuneration or benefits, reimbursements of expenses, Equity Shares held by them or their relatives, their dividend or bonus entitlement, benefits arising from their directorship in our Company. Our Promoters, Director and Key Managerial Personnel may also be interested to the extent of any transaction entered into by our Company with any other company or firm in which they are directors or partners. For further details please refer to, “**Our Business - Property**”, “**Our Management - Interest of our Directors**”, “**Our Promoters and Promoter Group - Interest of our Promoters and Other Interests and Disclosures**”, “**Statement of Financial Indebtedness**” and “**Restated Financial Statements – Related Party Transactions**” beginning on pages 104, 124, 142, 187 and 150, respectively of this Draft Prospectus.

There can be no assurance that our Promoters, Directors, Key Management Personnel will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoters and members of our Promoter Group will continue to exercise significant control over our Company, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting of shareholders, and our other shareholders may be unable to affect the outcome of such voting. Our Directors and our Key Management Personnel may take or block actions with respect to our business, which may conflict with the best interests of our Company or that of minority shareholders.

**40. One of our Group Companies may have conflict of interest as they are engaged in similar business or industry segments and may compete with us.**

Wotastic Solutions Private Limited (“Wotastic Solutions”), an entity forming part of our Group Companies is engaged in the same industry segment as our Company. We cannot assure you that there have been no instances in the past, and there will not be any conflict of interest between our Company or Wotastic Solutions in future. We have not entered into any non-compete agreements with Wotastic Solutions and there can be no assurance that such entity will not compete with our existing business or any future business that we might undertake or that we will be able to suitably resolve such a conflict without an adverse effect on our business and financial performance. For further details, please see, “**Our Group Companies**” at page 147 of this Draft Prospectus.

**41. There are certain discrepancies and non-compliances noticed in some of our corporate records relating to forms filed with the Registrar of Companies, taxation authorities and other public authorities.**

Our Company may incur penalties or liabilities for non-compliance with certain provisions including lapsed/ made delay in certain filings and/or erroneous filing/ non-filing of e-forms under Company Act applicable to it in the past years. Such non-compliances/delay Compliances/ erroneous filing/ non filing/ non registration may incur the penalties or liabilities which may affect the results of operations and financial conditions.

The details of delayed filings are given as follows:

Sr No.	Form	Due Date	Filed on
1	Form ADT-1 (Appointment of First Statutory Auditor)	31.01.2023	23.03.2023
2	Form DIR-12 (Appointment of Additional Independent Director)	09.04.2023	18.04.2023
3	Form DIR-12 (Appointment of CEO and CFO)	09.04.2023	28.04.2023
4	Form MGT-14 (Resolutions of Board Meeting dated 11.03.2023)	09.04.2023	27.04.2023
5	Form MGT-14 (Resolution of EOGM dated 23.03.2023)	21.03.2023	18.05.2023
6	Form MR-1	02.03.2023	31.05.2023
7	Form ADT-3 (Resignation of Statutory Auditor)	27.04.2023	19.05.2023
8	Form MGT-14 (Appointment of Company Secretary and Compliance Officer)	07.06.2023	08.06.2023
9	Form MGT-14 (Resolutions of Board Meeting for IPO)	01.04.2023	13.07.2023

**42. Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.**

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the issue price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see “*Dividend Policy*” beginning on page 149 of this Draft Prospectus.

**43. *Certain Agreements, deeds or licenses may be in the previous name of the company.***

Certain agreements, deeds or licenses may be in the name of the erstwhile partnership firm name Technogreen Environmental Solutions. In case we fail to change the name of the firm in the agreements, deeds or licenses, that were entered before conversion into a public company, it may cause adverse effect on the status and viability of those agreements.

**44. *Company does not have any listed peer companies for comparison of performance and therefore, investors must rely on their own examinations of accounting ratios of our Company for the purposes of investment in this Issue.***

Business models of some of the listed companies which undertake certain business, which may be considered similar to our business are not comparable to our business model based on the nature and extent of activities in diverse sectors undertaken by listed companies. Therefore, there are no listed companies that may be considered as the peer group of our Company. Therefore, investors must rely on their own examination of accounting ratios of our Company for the purposes of investment in this Issue.

**RISKS RELATED EQUITY SHARES AND THIS ISSUE**

**45. *Our Equity Shares have never been publicly traded, and, after the Issue, our Equity Shares may experience price and volume fluctuations, and an active trading market for our Equity Shares may not develop.***

Prior to the Issue, there has been no public market for our Equity Shares, and an active trading market for our Equity Shares may not develop. Listing and quotation does not guarantee that a market for our Equity Shares will develop, or if developed, the liquidity of such market for our Equity Shares. Investors might not be able to rapidly sell the Equity Shares at the quoted price if there is no active trading in the Equity Shares. The Issue Price of our Equity Shares as determined may not be indicative of the market price of our Equity Shares at the time of commencement of trading of our Equity Shares or at any time thereafter.

The market price of our Equity Shares may be subject to significant fluctuations in response to, among other factors:

- Semi annual variations in our results of operations;
- results of operations that vary from the expectations of research analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- conditions in financial markets, including those outside India;
- a change in research analysts’ recommendations;
- announcements by third parties or government entities of significant claims or proceedings against us;
- new laws and government regulations or changes in laws and government regulations applicable to our industry;
- additions or departures of Key Management Personnel and Senior Management;
- fluctuations in stock market prices and volume; and
- general economic and stock market conditions.

Changes in relation to any of the factors listed above could adversely affect the price of our Equity Shares. Consequently, the price of our Equity Shares may be volatile, and you may be unable to resell your Equity Shares at or above the Issue Price, or at all, and may as a result lose all or a part of your investment.



- 46. *There is no monitoring agency appointed by Our Company and the deployment of funds are at the discretion of our Management and our Board of Directors, though it shall be monitored by our Audit Committee.***

The issue proceeds are entirely at the discretion of the issuer/management. As per SEBI (ICDR) Regulations, 2018, appointment of monitoring agency is required only if Issue size exceeds ₹ 10,000 Lakhs. Hence, we have not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, as per the Section 177 of the companies Act, 2013 the Audit Committee of our Company would be monitoring the utilization of the Issue Proceeds.

- 47. *Portion of our Issue Proceeds are proposed to be utilized for general corporate purposes which constitute not more than 25% of the Issue Proceed. As on date we have not identified the use of such funds.***

Portion of our Issue Proceeds are proposed to be utilized for general corporate purposes which constitute not more than 25% of the Issue Proceed. We have not identified the general corporate purposes for which these funds may be utilized. The deployment of such funds is entirely at the discretion of our management in accordance with policies established by our Board of Directors from time to time and subject to compliance with the necessary provisions of the Companies Act. For details, please refer the section titled “*Objects of the Issue*” beginning on page 70 of this Draft Prospectus.

- 48. *We have not commissioned an industry report for the disclosures made in the section titled ‘Our Industry’ and made disclosures based on the data available on the internet and such third-party data has not been independently verified by us.***

We have neither commissioned an industry report, nor sought consent from the quoted website source for the disclosures which need to be made in the section titled “*Industry Overview*” beginning on page 87 of this Draft Prospectus. We have made disclosures in the said section based on the relevant industry related data publicly available online for which relevant consents have not been obtained. We have not independently verified such third-party data. We cannot assure you that any assumptions made are correct or will not change and, accordingly, our position in the market may differ from that presented in this Prospectus. Further, the industry data mentioned in this Prospectus or sources from which the data has been collected are not recommendations to invest in our Company. Accordingly, investors should read the industry related disclosure in this Draft Prospectus in this context.

- 49. *Investors may be subject to Indian taxes arising out of capital gains on the sale of our Equity Shares.***

Under the current Indian tax laws and regulations, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. A securities transaction tax (“STT”) is levied both at the time of transfer and acquisition of the equity shares (unless exempted under a prescribed notification), and the STT is collected by an Indian stock exchange on which listed equity shares are sold. Any gains realized on the sale of equity shares held for more than 12 months are subject to long term capital gains tax in India. Such long-term capital gains exceeding ₹100,000 arising from the sale of listed equity shares on the stock exchange are subject to tax at the rate of 10% (plus applicable surcharge and cess). Further, any capital gains realized on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will not be chargeable to tax in India in cases where relief from such taxation in India is provided under a treaty between India and the country of which the seller is resident and the seller is entitled to avail benefits thereunder, subject to certain conditions. Generally, Indian tax treaties do not limit India’s ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

Further, the Finance Act, 2020, has, amongst others things, notified changes and provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime and that dividend distribution tax will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020 and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident, and are subject to tax deduction at source. We may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source from such dividend. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares.

We cannot predict whether any tax laws or other regulations impacting us will be enacted, or predict the nature and impact of any such laws or regulations or whether, if at all, any laws or regulations would have a material adverse effect on our business, financial condition, results of operations and cash flows.

- 50. *There is no guarantee that our Equity Shares will be listed on the stock exchange in a timely manner or at all.***

In accordance with Indian law and practice, permission for listing and trading of our Equity Shares will not be granted until after certain actions have been completed in relation to this Issue and until Allotment of Equity Shares pursuant to this Issue.

In accordance with current regulations and circulars issued of SEBI, our Equity Shares are required to be listed on the stock exchange within such time as mandated under UPI Circulars, subject to any change in the prescribed timeline in this regard. However, we cannot assure you that the trading in our Equity Shares will commence in a timely manner or at all. Any failure or delay in obtaining final listing and trading approvals may restrict your ability to dispose of your Equity Shares.

**51. Any future issuance of Equity Shares, or convertible securities or other equity linked instruments by us may dilute your shareholding and sale of Equity Shares by shareholders with significant shareholding may adversely affect the trading price of the Equity Shares.**

We may be required to finance our growth through future equity offerings. Any future equity issuances by us, including a primary offering of Equity Shares, convertible securities or securities linked to Equity Shares including through exercise of employee stock options, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by our shareholders may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. There can be no assurance that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

**52. Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.**

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain restrictions), if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then a prior regulatory approval will be required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities.

In addition, pursuant to the Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT, which has been incorporated as the proviso to Rule 6(a) of the FEMA Non-debt Rules, all investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of the Equity Shares is situated in or is a citizen of any such country, can only be made through the Government approval route, as prescribed in the FDI Policy dated October 15, 2020 and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/purview, such subsequent change in the beneficial ownership will also require approval of the Government of India.

We cannot assure investors that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all. For further information, see "**Restrictions on Foreign Ownership of Indian Securities**" on page 242 of this Draft Prospectus.

**53. The determination of the Issue Price is based on various factors and assumptions and the Issue Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Issue.**

The determination of the Issue Price is based on various factors and assumptions, and was determined by our Company in consultation with the Lead Manager. These are based on numerous factors, including factors as described under "**Basis for Issue Price**" on page 80 and may not be indicative of the market price for the Equity Shares after the Issue. The market price of the Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to resell their Equity Shares at or above the Issue Price.

The factors that could affect the market price of the Equity Shares include, broad market trends, financial performance and results of our Company post-listing, and other factors beyond our control. We cannot assure you that an active market will develop or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

**54. *Investors may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby may suffer future dilution of their ownership position.***

Under the Companies Act 2013 a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the preemptive rights have been waived by adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution.

However, if the law of the jurisdiction the investors are in, does not permit them to exercise their preemptive rights without our Company filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless our Company makes such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value such custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by them, their proportional interest in our Company would be reduced.

**55. *Rights of shareholders under Indian laws may be different from laws of other jurisdictions.***

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as our shareholder than as a shareholder of an entity in another jurisdiction.

**56. *Past experience of our Lead Manager in Handling Initial Public offerings (IPOs)***

Our Lead Manager has limited experience in handling initial public offerings (IPOs). While the merchant banker has successfully managed a few IPOs previously, it is important to note that their track record is relatively limited compared to more established and experienced merchant bankers in the industry.

The lack of extensive experience in handling IPOs may pose certain risks and challenges during the process. The success of an IPO depends on various factors, including effective marketing, accurate valuation, thorough due diligence, and regulatory compliance. Inexperienced handling of these crucial aspects could potentially result in delays, inefficiencies, or suboptimal outcomes for the IPO.

Furthermore, due to limited experience, the merchant banker may have a narrower network of potential investors and may face challenges in attracting a diverse range of institutional and retail investors. This could impact the demand for our shares and potentially affect the overall success of the IPO.

Further, for experience of our banker kindly refer the page 201 of the Draft Prospectus

## **EXTERNAL RISKS**

**57. *Natural disasters, epidemics, pandemics, acts of war, terrorist attacks and other events could materially and adversely affect our business.***

Natural disasters (such as earthquakes, fire, typhoons, cyclones, hurricanes and floods), pandemics, epidemics, strikes, civil unrest, terrorist attacks and other events, which are beyond our control, may lead to global or regional economic instability, which may in turn materially and adversely affect our business, financial condition, cash flows and results of operations. Any of these occurrences could cause severe disruptions to our daily operations and may warrant a temporary closure of our facilities. Such closures may disrupt our business operations and adversely affect our results of operations. Our operation could also be disrupted if our customers or business partners are affected by such natural disasters or epidemics.

An outbreak or epidemic, such as SARS, the H1N1 and H5N1 viruses or COVID-19 could cause general consumption or the demand for various products to decline, which could result in reduced demand for our services. See - *“Risk Factors- Internal Risk Factors no.31- The continuing impact of the COVID-19 pandemic on our business and operations is uncertain and it may be significant and continue to have an adverse effect on our business, operations and our future financial performance”* on page 33 of this Draft Prospectus. Such an outbreak or epidemic may significantly interrupt our business operations as health or governmental authorities may impose quarantine and inspection measures on us or our contractors, or restrict the flow of cargo to and from areas affected by the outbreak or epidemic.

Furthermore, certain regions in India have witnessed terrorist attacks and civil disturbances and it is possible that future terrorist attacks or civil unrest, as well as other adverse social, economic and political events in India could have a negative effect on us. Transportation facilities, including vehicles, can be targets of terrorist attacks, which could lead to, among other things, increased insurance and security costs. Regional and global political or military tensions or conflicts, strained or altered foreign relations, protectionism and acts of war or the potential for war could also cause damage and disruption to our business, which could materially and adversely affect our business, financial condition, cash flows and results of operations. Such incidents could create the perception that investments in Indian companies involve a higher degree of risk and such perception could adversely affect our business and the price of the Equity Shares. We may also face difficulty in accessing certain parts of India at certain times of the year or under adverse or inclement weather conditions.

**58. *Financial instability in other countries may cause increased volatility in Indian and other financial markets.***

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the United States and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors’ reactions to developments in one country can have an adverse effect on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any global financial instability, including further deterioration of credit conditions in the U.S. market, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our results of operations and financial condition.

The Indian economy is also influenced by economic and market conditions in other countries. This includes, but is not limited to, the conditions in the United States, Europe and certain economies in Asia. Financial turmoil in Asia and elsewhere in the world in recent years has affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and its business.

Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby impact the Indian economy. Financial disruptions in the future could adversely affect our business, prospects, financial condition and results of operations. The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections.

These could include greater volatility of markets in general due to the increased uncertainty. These and other related events could have a significant impact on the global credit and financial markets as a whole, and could result in reduced liquidity, greater volatility, widening of credit spreads and a lack of price transparency in the global credit and financial markets. There are also concerns that a tightening of monetary policy in emerging markets and some developed markets will lead to a moderation in global growth. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, have implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have had the intended stabilizing effects. Any significant financial disruption in the future could have an adverse effect on our cost of funding, loan portfolio, business, future financial performance and the trading price of the Equity Shares.

**59. *Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, prospects and results of operations.***

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. For example, the Government of India implemented a

comprehensive national goods and services tax (“GST”) regime with effect from July 1, 2017, that combined multiple taxes and levies by the Central and State Governments into a unified tax structure. Our business and financial performance could be adversely affected by any unexpected or onerous requirements or regulations resulting from the introduction of GST or any changes in laws or interpretation of existing laws, or the promulgation of new laws, rules and regulations relating to GST, as it is implemented. The Government has enacted the GAAR which have come into effect from April 1, 2017.

For instance, the Taxation Laws (Amendment) Act, 2019, a tax legislation issued by India’s Ministry of Finance effective as of September 20, 2019, prescribes certain changes to the income tax rate applicable to companies in India. According to this legislation, companies can henceforth voluntarily opt in favor of a concessional tax regime (subject to no other special benefits and/or exemptions being claimed), which reduces the rate of income tax payable to 22% subject to compliance with conditions prescribed. Domestic companies are otherwise subject to tax at the rate of 25% or 30% depending upon their total turnover or gross receipt in the relevant period. Any such future amendments may affect our other benefits such as exemption for income earned by way of dividend from investments in other domestic companies and units of mutual funds, exemption for interest received in respect of tax free bonds, and long-term capital gains on equity shares if withdrawn by the statute in the future, and the same may no longer be available to us. Any adverse order passed by the appellate authorities, tribunals or courts would have an effect on our profitability. Further, the Government of India has announced the Union Budget for the Financial Year 2023-24 pursuant to which the Finance Act, 2023 has introduced various amendments to taxation laws in India.

Unfavorable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

Further, our Company cannot predict whether any laws or regulations impacting it will be enacted, or predict the nature and impact of any such laws or regulations or whether, if at all, any laws or regulations would have an adverse effect on our business, results of operations and financial condition.

**60. *Our business is affected by economic, political and other prevailing conditions beyond our control.***

We are incorporated in India and we conduct our corporate affairs and our business in India. Our Equity Shares are proposed to be listed on SME Platform of BSE Limited. Consequently, our business, operations, financial performance and the market price of our Equity Shares will be affected by interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India. Factors that may adversely affect the Indian economy, and hence our results of operations may include:

- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- any scarcity of credit or other financing in India, resulting in an adverse effect on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian customers and Indian corporations;
- epidemic or any other public health in India or in countries in the region or globally, including in India’s various neighbouring countries;
- hostile or war like situations with the neighbouring countries;
- macroeconomic factors and central bank regulation, including in relation to interest rates movements which may in turn adversely impact our access to capital and increase our borrowing costs;
- volatility in, and actual or perceived trends in trading activity on, India’s principal stock exchange;
- decline in India's foreign exchange reserves which may affect liquidity in the Indian economy;
- downgrading of India’s sovereign debt rating by rating agencies; and
- difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms and/or a timely basis.
- Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy or certain regions in India, could adversely affect our business, results of operations and financial condition and the price of the Equity Shares.

**61. *Investors outside India may not be able to enforce any judgment of a foreign court against us, except by way of a suit in India.***

Our Company is a non-government Company limited by shares incorporated under the laws of India. All of our directors and executive officers are residents of India. Many of our Company's assets are located in India. As a result, it may be difficult for investors to effect service of process upon us or such persons in India or to enforce judgments obtained against our Company or such parties outside India. India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. India has reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions, including the United Kingdom, Singapore, UAE, and Hong Kong. A judgment from certain specified courts located in a jurisdiction with reciprocity must meet certain requirements of the Code of Civil Procedure, 1908, as amended ("Civil Procedure Code"). The United States has not been notified as a reciprocating territory.

In order to be enforceable, a judgment obtained in a jurisdiction which India recognizes as a reciprocating territory must meet certain requirements of the Civil Procedure Code. Section 13 of the Civil Procedure Code provides that foreign judgments shall be conclusive regarding any matter directly adjudicated on except (i) where the judgment has not been pronounced by a court of competent jurisdiction, (ii) where the judgment has not been given on the merits of the case, (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or refusal to recognize the law of India in cases to which such law is applicable, (iv) where the proceedings in which the judgment was obtained were opposed to natural justice, (v) where the judgment has been obtained by fraud or (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the Civil Procedure Code, a court in India shall, on the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record; such presumption may be displaced by proving want of jurisdiction.

The Civil Procedure Code only permits the enforcement of monetary decrees, not being in the nature of any amounts payable in respect of taxes, or other charges of a like nature or in respect of a fine or other penalty and does not provide for the enforcement of arbitration awards even if such awards are enforceable as a decree or judgment. A foreign judgment rendered by a superior court (as defined under the Civil Procedure Code) in any jurisdiction outside India which the Government of India has by notification declared to be a reciprocating territory, may be enforced in India by proceedings in execution as if the judgment had been rendered by a competent court in India. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgment in such a jurisdiction against us, our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court. However, the party in whose favor such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States or other such jurisdiction within three years of obtaining such final judgment. It is unlikely that an Indian court would award damages on the same basis as a foreign court if an action is brought in India. Moreover, it is unlikely that an Indian court would award damages to the extent awarded in a final judgment rendered outside India if it believes that the amount of damages awarded were excessive or inconsistent with public policy in Indian. In addition, any person seeking to enforce a foreign judgment in India is required to obtain the prior approval of the RBI to repatriate any amount recovered, and we cannot assure that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approvals would be acceptable. Such amount may also be subject to income tax in accordance with applicable law.

Consequently, it may not be possible to enforce in an Indian court any judgment obtained in a foreign court, or effect service of process outside of India, against Indian companies, entities, their directors and executive officers and any other parties resident in India. Additionally, there is no assurance that a suit brought in an Indian court in relation to a foreign judgment will be disposed of in a timely manner.

**62. *Any downgrading of India's debt rating by an international rating agency could have a negative impact on our business.***

India's sovereign debt rating could be downgraded due to several factors, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, all which are outside the control of our Company. Our borrowing costs and our access to the debt capital markets depend significantly on the sovereign credit ratings of India. Any adverse revisions to India's credit ratings for domestic and overseas debt by international rating agencies may adversely impact our ability to raise additional external financing, and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of the Equity Shares.

**63. *The occurrence of natural or man-made disasters could adversely affect our results of operations, cash flows and financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business***

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. Terrorist attacks and other acts of violence or war may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighboring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business.

Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

**64. *Significant differences exist between Ind AS and other accounting principles, such as Indian GAAP, IFRS and U.S. GAAP, which may be material to investors' assessments of our financial condition, result of operations and cash flows.***

The Restated Summary Statements for the Financial Years ended March 31, 2021, March 31, 2022 and March 31, 2023, included in this Draft Prospectus are derived from our audited financial statements, as at and for the years ended March 31, 2023, March 31, 2022 and March 31, 2021, prepared in accordance with Ind AS, and restated by our Company in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, relevant provisions of the SEBI ICDR Regulations, and the Guidance Note on Reports on Company Prospectuses (Revised 2019) issued by the ICAI. Ind AS differs from accounting principles with which prospective investors may be familiar, such as Indian GAAP, IFRS and US GAAP.

We have not attempted to explain in a qualitative manner the impact of the IFRS or US GAAP on the financial information included in this Draft Prospectus, nor do we provide a reconciliation of our financial information to those of US GAAP or IFRS. US GAAP and IFRS differ in significant respects from Ind AS and Indian GAAP, which may differ from accounting principles with which prospective investors may be familiar in other countries. Accordingly, the degree to which the financial information included in this Draft Prospectus, which is restated as per the SEBI ICDR Regulations, will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices, Ind AS, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices, Ind AS, the Companies Act and the SEBI ICDR Regulations, on the financial disclosures presented in this Draft Prospectus should accordingly be limited. Prospective investors should review the accounting policies applied in the preparation of the Restated Summary Statements and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar.

**65. *We face foreign exchange risks that could adversely affect our results of operations.***

On listing, our Equity Shares will be quoted in Indian Rupees on the BSE. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by Equity Shareholders. For example, the exchange rate between the Indian Rupee and the U.S. dollar has fluctuated in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the returns on our Equity Shares, independent of our operating results.

**66. *The requirements of being a listed company may strain our resources.***

We are not a listed company and have not been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the listing compliances and reporting requirements to the Stock Exchange, which require us to file

audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as timely as other listed companies.

Further, as a listed company we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions to support the existence of effective disclosure controls and procedures and internal control over financial reporting. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management oversight will be required. As a result, management's attention may be diverted from other business concerns, which could affect our business, prospects, results of operations and financial condition and the price of our Equity Shares. In addition, we may need to hire additional legal and accounting staff with appropriate listed company experience and technical accounting knowledge, but we cannot assure you that we will be able to do so in a timely manner.



## SECTION IV: INTRODUCTION

### THE ISSUE

Present Issue in Terms of this Draft Prospectus

Particulars	No. of Equity Shares
Equity Shares Offered through Public Issue* (1) (2)	Issue of upto 20,00,000 Equity Shares of face value of ₹10.00 each fully paid of the Company for cash at price of ₹[●] per Equity Share aggregating to ₹[●] Lakh
<b><i>Out Of Which:</i></b>	
Reserved for Market Maker	[●] Equity Shares of face value of ₹10.00 each fully paid of the Company for cash at price of ₹ [●] per Equity Share aggregating ₹[●] Lakh
Net Issue to the Public	Upto [●] Equity Shares of face value of ₹10.00 each fully paid of the Company for cash at price of ₹[●] per Equity Share aggregating ₹[●] Lakh
<b><i>Of which:</i></b>	
A. Retail Investors Portion\$	[●] Equity Shares of face value of ₹10.00 each fully paid-up for cash at price of ₹[●] per Equity Share aggregating to ₹[●] Lakh i.e. 50% of the Net Issue shall be available for allocation for Investors other than Retail Individual Investors.
B. Non – Institutional Portion^	[●] Equity Shares of face value of ₹10.00 each fully paid-up for cash at price of ₹[●] per Equity Share aggregating to ₹[●] Lakh i.e. 50% of the Net Issue shall be available for allocation for Investors other than Retail Individual Investors.
<b><i>Pre and Post Issue Share Capital of our Company:</i></b>	
Equity Shares outstanding prior to the Issue	54,38,730 Equity Shares
Equity Shares outstanding after the Issue	Upto [●] Equity Shares
Use of Issue Proceeds	For details, please refer section titled ' <b><i>Objects of the Issue</i></b> ' beginning on page 70 of this Draft Prospectus.

\*Number of shares may need to be adjusted for lot size upon determination of issue price.

^SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹5.00 Lakh shall use the UPI Mechanism. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹2.00 Lakh and up to ₹5.00 Lakh, using the UPI Mechanism, shall provide their UPI ID in the Bid cum Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

\$ Subject to valid Applications being received at or above the Issue Price, undersubscription, if any, in any category, would be allowed to be met with spill-over from any other category at the discretion of our Company, in consultation with the Lead Manager and the Stock Exchange. In case of undersubscription in the Issue, subject to receiving minimum subscription for 90% of the Issue and compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, the Allotment for the valid Applications will be made in the first instance towards subscription for 90% of the Fresh Issue. For further details, see "***Issue Procedure***" on page 218.

#### **Notes:**

- 1) The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.
- 2) The present Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on April 03, 2023 and by the Shareholder of our Company, vide a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General Meeting held on May 02, 2023.

\*As per the Regulation 253 of the SEBI (ICDR) Regulations, as amended, as present issue is a fixed price the allocation in the net issue to the public category shall be made as follows:

- a) *Minimum fifty percent to retail individual investor; and*
- b) *Remaining to:*
  - i) *Individual applicants other than retail individual investors; and*
  - ii) *other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;*

*Provided that the unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to applicants in the other category.*

*If the retails individual investor category is entitled to more than allocated portion on proportionate basis, accordingly the retails individual investors shall be allocated that higher percentage.*

**SUMMARY OF FINANCIAL STATEMENTS**

**Restated Balance Sheet as at March 31, 2023, March 31, 2022 and March 31, 2021**

**(Rs. In Lakhs)**

<b>Particulars</b>	<b>31 March 2023</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
<b>EQUITY AND LIABILITIES</b>			
Shareholders' funds			
Share capital	509.63	509.63	509.63
Reserves and surplus	124.00	(153.76)	(213.20)
Money received against share warrants	-	-	-
	<b>633.63</b>	<b>355.86</b>	<b>296.43</b>
Non-current liabilities			
Long-term borrowings	18.33	34.03	122.58
Other long term liabilities	-	-	-
Long-term provisions	5.10	4.31	12.20
	<b>23.43</b>	<b>38.34</b>	<b>134.78</b>
Current liabilities			
Short-term borrowings	269.07	251.83	328.13
Trade payables	-	-	-
Total outstanding dues of micro enterprises and small enterprises	0.07	0.31	0.60
Total outstanding dues of creditors other than micro enterprises and small enterprises	69.59	60.83	332.36
Other current liabilities	17.54	82.08	66.04
Short-term provisions	223.93	164.69	23.41
	<b>580.19</b>	<b>559.73</b>	<b>750.55</b>
<b>Total</b>	<b>1,237.25</b>	<b>953.94</b>	<b>1,181.75</b>
<b>ASSETS</b>			
Non-current assets			
Property, Plant and Equipment Property and Intangible assets			
Property, Plant and Equipment	17.98	6.38	8.83
Intangible assets	4.82	-	-
Capital work-in-progress	-	-	-
Intangible assets under development	-	-	-
Non-current investments	-	-	-
Deferred tax assets (Net)	2.97	2.22	2.15
Long term Loans and advances	-	-	-
Other non-current assets	215.43	197.45	272.63
	<b>241.19</b>	<b>206.04</b>	<b>283.62</b>
Current assets			
Current investments	-	-	-
Inventories	382.84	262.76	237.92
Trade receivables	334.12	306.11	315.26
Cash and bank balances	58.93	8.81	141.62
Short term Loans and advances	218.93	169.98	202.36
Other current assets	1.23	0.23	0.98
	<b>996.06</b>	<b>747.89</b>	<b>898.14</b>
<b>Total</b>	<b>1,237.25</b>	<b>953.94</b>	<b>1,181.75</b>

**Restated Statement of Profit and Loss for the years ended March 31, 2023, March 31, 2022 and March 31, 2021**
**(Rs. In Lakhs)**

<b>Particulars</b>	<b>2022-23</b>	<b>2021-22</b>	<b>2020-21</b>
Income:			
Revenue from operations	1,483.85	987.33	780.73
Other Income	2.44	11.77	4.54
<b>Total Income</b>	<b>1,486.28</b>	<b>999.09</b>	<b>785.27</b>
Expenses:			
Direct Expense	95.93	88.08	385.40
Purchases	225.96	572.50	52.62
Changes in inventories of finished goods, work-in-progress and stock-in-trade	-120.08	-24.85	9.71
Employee Benefits Expense	183.03	55.79	63.75
Finance Costs	24.29	50.17	61.54
Depreciation and amortization expense	5.08	3.96	3.95
Other Expenses	447.58	102.47	157.21
<b>Total expenses</b>	<b>861.78</b>	<b>848.12</b>	<b>734.18</b>
Profit/(loss) before Prior Period items and tax	624.50	150.98	51.09
Prior Period Item	-	-	-
<b>Profit before tax</b>	<b>624.50</b>	<b>150.98</b>	<b>51.09</b>
Tax expense:			
Current tax			
For current year profits	173.88	42.87	14.52
Deferred tax charge/ (benefit)	-0.76	-0.06	-0.59
	<b>173.12</b>	<b>42.80</b>	<b>13.92</b>
<b>Profit/(Loss) for the period from continuing operations</b>	<b>451.38</b>	<b>108.18</b>	<b>37.17</b>
Profit/(loss) from discontinuing operations	-	-	-
Tax expense of discontinuing operations	-	-	-
Profit/(loss) from discontinuing operations (after tax)	-	-	-
<b>Profit/(Loss) for the year</b>	<b>451.38</b>	<b>108.18</b>	<b>37.17</b>
Earnings Per Equity Share [Nominal value per share Rs.10.00]			
Basic Earnings Per Share	<b>8.86</b>	<b>2.12</b>	<b>0.73</b>
Diluted Earnings Per Share	<b>8.86</b>	<b>2.12</b>	<b>0.73</b>

**Restated Cash Flow Statement for the years ended March 31, 2023, March 31, 2022 and March 31, 2021**
**(Rs. In Lakhs)**

<b>Particulars</b>	<b>2022-23</b>	<b>2021-22</b>	<b>2020-21</b>
<b>Cash Flow from Operating activities</b>			
Profit before tax	624.50	150.98	51.09
Adjustments for:			
Depreciation and amortization expenses	5.08	3.96	3.95
Interest expenses	3.86	49.23	51.27
Interest (income)	-2.02	-1.99	-3.83
<b>Operating Profit before working capital changes</b>	<b>631.42</b>	<b>202.17</b>	<b>102.49</b>
Changes in working capital			
Increase / decrease in trade payables	-8.53	271.83	-184.31
Increase / decrease in other current liabilities	64.54	-16.04	-23.02
Increase / decrease in Short term Borrowings	-17.23	76.30	-328.13
Increase / decrease in provisions	-60.02	-133.40	102.68
Decrease / increase in trade receivables	28.01	-9.14	20.64
Decrease / increase in inventories	120.08	24.85	-9.71
Decrease / increase in loans and advances	48.95	-32.38	-335.24
Decrease / increase in Other assets	18.98	-75.94	68.40
<b>Cash generated from /(used in) operations</b>	<b>436.64</b>	<b>96.08</b>	<b>791.17</b>
Income Tax Expense	-173.88	-42.87	-14.52
Deferred Tax			
<b>Net cash flows from /(used in) operating activities (A)</b>	<b>262.76</b>	<b>53.22</b>	<b>776.65</b>
<b>Cash flow from Investing activities</b>			
Purchase of Property, Plant and Equipment, including movement in CWIP	21.49	-1.50	-
Interest received (others)	2.02	1.99	3.83
<b>Net cash flow from /(used in) investing activities (B)</b>	<b>-19.47</b>	<b>0.49</b>	<b>3.83</b>
<b>Cash flow from Financing activities</b>			
Proceeds from issuance of equity share capital	-	-	-
Repayment from long-term borrowings	-15.69	-88.55	-297.74
Interest paid	-3.86	-49.23	-51.27
Adjustment on account of conversion from firm to Company	-173.61	-48.74	-323.39
<b>Net cash flow from /(used in) financing activities (C)</b>	<b>-193.16</b>	<b>-186.53</b>	<b>-672.40</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>50.12</b>	<b>(132.82)</b>	<b>108.08</b>
Cash and cash equivalents at the beginning of the year	8.81	141.62	33.54
Cash and cash equivalents at the end of the year	58.93	8.81	141.62
<b>Cash and cash equivalents comprise (Refer note 14)</b>			
Balances with banks			
On current accounts	53.80	0.27	137.52
Cash on hand	5.13	8.53	4.10
<b>Total cash and bank balances at end of the year</b>	<b>58.93</b>	<b>8.81</b>	<b>141.62</b>

## SECTION V: GENERAL INFORMATION

Our Company was originally formed as a Partnership Firm pursuant to Deed of Partnership dated April 05, 2001 in the name and style of “**TECHNO GREEN ENVIRONMENTAL SOLUTIONS**”, thereafter the firm got registered under the Partnership Act, 1932 (“Partnership Act”) having Firm Registration Number BA-81287 in the name and style of “**TECHNOGREEN ENVIRONMENTAL SOLUTIONS**” dated September 17, 2001. The firm was thereafter converted from Partnership Firm to a Public Limited Company under Part I of Chapter XXI of the Companies Act, 2013 with the name and style of “**TECHKNOWGREEN SOLUTIONS LIMITED**” and received a Certificate of Incorporation from the Registrar of Companies, Central Registration Centre dated January 02, 2023. The Company’s Corporate Identity Number is U90000PN2023PLC217501.

For details in relation to the incorporation, Registered Office and other details, please refer to the section titled “**Our History and Certain Corporate Matters**” beginning on page 120 of this Draft Prospectus.

<b>BRIEF COMPANY AND ISSUE INFORMATION</b>	
<b>Registration Number</b>	217501
<b>Corporate Identification Number</b>	U90000PN2023PLC217501
<b>Date of Incorporation as Public Limited Company</b>	January 02, 2023
<b>Address of the Registered office of the Company</b>	Flat-202, Hem Opal Apartment, Plot No. 26, Ekta Park Society, Wakdewadi, Pune – 411003, Maharashtra, India <b>Tel:</b> +91 9607002553 <b>Email:</b> <a href="mailto:cs@techknowgreen.com">cs@techknowgreen.com</a> <b>Website:</b> <a href="http://www.techknowgreen.com">www.techknowgreen.com</a>
<b>Address of Registrar of Companies</b>	<b>Registrar of Companies, Pune</b> PCNTDA Green Building, Block A, 1 <sup>st</sup> & 2 <sup>nd</sup> Floor, Near Akurdi Railway Station, Akurdi, Pune – 411044, Maharashtra <b>Tel:</b> 020-27651375/020-27651378 <b>Fax:</b> 020-25530042 <b>Email:</b> roc.pune@mca.gov.in <b>Website:</b> <a href="https://www.mca.gov.in/">https://www.mca.gov.in/</a>
<b>Designated Stock Exchange</b>	<b>BSE Limited</b> <b>(SME Platform of BSE Limited)</b> P J Towers, Dalal Street, Fort, Mumbai – 400001, Maharashtra, India. <b>Tel No:</b> 022 – 2272 1233/34 <b>Website:</b> <a href="http://www.bseindia.com/">www.bseindia.com/</a> <a href="http://www.bsesme.com">www.bsesme.com</a>
<b>Chief Financial Officer</b>	Aniket Vijay Kadam Flat-202, Hem Opal Apartment, Plot No. 26, Ekta Park Society, Wakdewadi, Pune – 411003, Maharashtra <b>Email:</b> <a href="mailto:cfo@techknowgreen.com">cfo@techknowgreen.com</a>
<b>Company Secretary and Compliance Officer*</b>	CS Vinayak Chindak Flat-202, Hem Opal Apartment, Plot No. 26, Ekta Park Society, Wakdewadi, Pune – 411003, Maharashtra <b>Email:</b> <a href="mailto:cs@techknowgreen.com">cs@techknowgreen.com</a>

## **OUR BOARD OF DIRECTORS**

Details regarding our Board of Directors as on the date of this Draft Prospectus are set forth in the table hereunder:

<b>Name</b>	<b>Designation</b>	<b>DIN</b>	<b>Address</b>
Ajay Ramakant Ojha	Managing Director	03549762	202, Hem Opal, Plot 26, Ekta Park Society, Wakdewadi, Near Joshi Wadewala Lane, Pune-411003, Maharashtra.
Prasad Rangrao Pawar	Executive Director and Chief Executive Officer	02033491	44/A/1, Flat No C-103, Dew Drops Alandi Road Vishrantwadi Pune City Dhanori, Pune City Pune-411015

Name	Designation	DIN	Address
Aniket Vijay Kadam	Executive Director and Chief Financial Officer	05010202	Apurva Disha School Marg, Plot No 78 Sector 8-A Near Jain Temple, C B D Belapur, Navi Mumbai, Thane, Maharashtra-400614
Kuntal Jitendra Dave	Independent Director	00309275	3802, 38 <sup>th</sup> Floor, India bulls Sky, Senapati Bapat Marg, Elphinstone, Jupiter Mill Compound, Delisle Road, Mumbai- 400 013
Ronita Ghosh	Independent Director	09240267	B-336, 2 <sup>nd</sup> Floor, Chittaranjan Park, South Delhi – 110019
Vinayak Dattatraya Kelkar	Independent Director	10048658	302, Kanchangauri Apartment, Kanchangalli, Off ILS College Road, Pune – 411004

For detailed profile of our Board of Directors, please refer “**Our Management**” on page 124 of this Draft Prospectus.

## INVESTOR GRIEVANCES

Investors may contact our Company Secretary and Compliance Officer and/or the Registrar to the Issue and/or the Lead Manager, in case of any pre-issue or post-issue related problems, such as non-receipt of letters of allotment, credit of allotted Equity Shares in the respective beneficiary account or refund orders, etc.

All grievances in relation to the application through ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted, giving details such as the full name of the sole or First Applicant, ASBA Form number, Applicants DP ID, Client ID, PAN, number of Equity Shares applied for, date of submission of ASBA Form, address of Applicant, the name and address of the relevant Designated Intermediary, where the ASBA Form was submitted by the Applicant, ASBA Account number in which the amount equivalent to the Application Amount was blocked and UPI ID used by the Retail Individual Investors. Further, the Applicant shall enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents or information mentioned hereinabove.

For all Issue related queries and for redressal of complaints, Applicants may also write to the Lead Manager. All complaints, queries or comments received by Stock Exchange/SEBI shall be forwarded to the Lead Manager, who shall respond to the same.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The Applicant should give full details such as name of the sole or first Applicant, ASBA Form Number, Applicant DP ID, Client ID, PAN, date of the ASBA Form, address of the Applicant, number of Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the ASBA Applicants.

## DETAILS OF KEY INTERMEDIARIES PERTAINING TO THIS ISSUE OF OUR COMPANY

LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
<b>INDORIENT FINANCIAL SERVICES LIMITED</b> Rustomjee Central Park, A-Wing, 501, Executive Spaces, Andheri Kurla Road, Chakala, Mumbai – 400093 Maharashtra, India. <b>Tel No.:</b> +91 79772 12186 <b>Email:</b> compliance-ifsl@indorient.in <b>Website:</b> <a href="http://www.indorient.in/">http://www.indorient.in/</a> <b>Contact Person:</b> Ivor Anil Misquith <b>SEBI Registration No:</b> NM000012661 <b>CIN:</b> U67190DL1993PLC052085	<b>BIGSHARE SERVICES PRIVATE LIMITED</b> Office No. S6-2, 6 <sup>th</sup> Pinnacle Business Park, Mahakali Caves Road, next to Ahura Centre, Andheri East, Mumbai- 400093, Maharashtra, India <b>Tel. No.:</b> +91-22-6263 8200; <b>Fax No.:</b> +91-22-6263 8299 <b>Email:</b> <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a> <b>Investor Grievance Email:</b> <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a> ; <b>Website:</b> <a href="http://www.bigshareonline.com">www.bigshareonline.com</a> <b>Contact Person:</b> Sagar Pathare <b>SEBI Registration No.:</b> INR000001385 <b>CIN:</b> U99999MH1994PTC076534

LEGAL ADVISOR TO THE ISSUE	STATUTORY & PEER REVIEWED AUDITOR OF THE COMPANY
<b>STERLING ASSOCIATES</b> B-302, Umarji House, Opposite CritiCare Hospital, Teli Lane, Andheri-East, Mumbai - 400 069, Maharashtra, India. Tel No.: +91 72075003 E-mail: <a href="mailto:ajay.yadav@sterlingassociates.in">ajay.yadav@sterlingassociates.in</a> Contact Person: Ajay Yadav	<b>VISHWAS &amp; ASSOCIATES</b> Chartered Accountants Unit No. 5Blaxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (W) Mumbai – 400053, Maharashtra, India <b>Tel. No.:</b> +91-22-6236 0160; <b>E-mail:</b> <a href="mailto:office@vishwasandassociates.com">office@vishwasandassociates.com</a> <b>Contact Person:</b> Vishwas Kalal <b>Membership No.:</b> 174542 <b>Firm Registration No.:</b> 0143500W <b>Peer Review No:</b> 013851
BANKER TO THE COMPANY	BANKER(S) TO THE ISSUE/ SPONSOR BANKER/ ESCROW COLLECTION BANK/REFUND BANK
<b>ICICI Bank Ltd</b> 1194/8, Ramchandra Sabhamandap, Ghole Road, Shivaji Nagar, Pune - 411005 Maharashtra, India <b>Tel. No.:</b> +91-22-6628 0736; <b>E-mail:</b> <a href="mailto:yogesh.bhagwat@icicibank.com">yogesh.bhagwat@icicibank.com</a> <b>Contact Person:</b> Yogesh Bhagwat <b>Website:</b> <a href="http://www.icicibank.com">www.icicibank.com</a> <b>CIN:</b> L65190GJ1994PLC021012	[•]

#### ADVISOR TO THE COMPANY

**Name:** POOJA EQUIRESEARCH PRIVATE LIMITED

**CIN:** U67120MH1992PTC068765

**Address:** 102/B, Hari Darshan, Bhogilal Fadia Road, Kandivali West, Mumbai – 400067

**Contact No.:** +91 9821722787

**Email Id:** [poojacomex@gmail.com](mailto:poojacomex@gmail.com)

**Contact Person:** Hiten Mehta

#### CHANGES IN AUDITORS DURING LAST THREE FINANCIAL YEARS

Except as mentioned below, there has been no change in the auditors of our Company during the last 3 years:

Sr. No	Date of Change	From	To	Reason for Change
1.	May 05, 2023	<b>KARWA MALANI KALANTRI &amp; ASSOCIATES</b> Chartered Accountants, 1, Aditya Apartment, Above Vaishnavi Electricals, Tidke Colony, Nashik-422002 <b>Tel No.:</b> +91-2532232993 <b>E-mail:</b> <a href="mailto:kmkassociatesca@gmail.com">kmkassociatesca@gmail.com</a> <b>Contact Person:</b> Darshan K. Karwa <b>Membership No.:</b> 139341 <b>Firm Registration No.:</b> 136867W	<b>VISHWAS &amp; ASSOCIATES</b> Chartered Accountants Unit No. 5Blaxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (W) Mumbai – 400053, Maharashtra, India <b>Tel. No.:</b> +91-22-6236 0160; <b>E-mail:</b> office <a href="mailto:office@vishwasandassociates.com">@vishwasandassociates.com</a> <b>Contact Person:</b> Vishwas Kalal <b>Membership No.:</b> 174542 <b>Firm Registration No.:</b> 143500W	Casual Vacancy



## STATEMENT OF RESPONSIBILITY OF THE LEAD MANAGER / STATEMENT OF INTER SE ALLOCATION OF RESPONSIBILITIES

Since Indorient Financial Services Limited is the sole Lead Manager to this Issue, a statement of inter se allocation of responsibilities amongst Lead Manager is not required.

## SELF-CERTIFIED SYNDICATE BANKS

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>.) and updated from time to time. For details on Designated Branches of SCSBs collecting the Application Forms, refer to the above-mentioned SEBI link.

Further, as notified by SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019; the applications through UPI in IPOs can be made only through the SCSBs/ mobile applications whose name appears on the SEBI website [www.sebi.gov.in](http://www.sebi.gov.in) at the following path: Home >> Intermediaries/Market Infrastructure Institutions >> Recognized intermediaries >> Self Certified Syndicate Banks eligible as Issuer Banks for UPI.

Investor shall ensure that when applying in IPO using UPI, the name of his Bank appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, he/she shall also ensure that the name of the app and the UPI handle being used for making the application is also appearing in the aforesaid list.

## SYNDICATE SCSB BRANCHES

In relation to ASBA Bids submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Application Forms from the members of the Syndicate is available on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>.) and updated from time to time. For more information on such branches collecting Application Forms from the Syndicate at Specified Locations, refer to the above-mentioned SEBI link.

## INVESTORS BANKS OR ISSUER BANKS FOR UPI

In accordance with UPI Circulars, RIIs Applying via UPI Mechanism may apply through the SCSBs and mobile applications, whose names appear on the website of SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>), as updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as 'Annexure A' to the SEBI circular, bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019.

## REGISTERED BROKERS

The list of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and e-mail address, is provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, respectively, as updated from time to time.

## REGISTRAR AND SHARE TRANSFER AGENTS

The list of the RTAs eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of the SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, as updated from time to time.

## COLLECTING DEPOSITORY PARTICIPANTS

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, respectively, as updated from time to time.

## **CREDIT RATING**

This being an Issue of Equity Shares, there is no requirement of credit rating for the Issue.

## **IPO GRADING**

Since the Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, there is no requirement of appointing an IPO Grading Agency.

## **EXPERT OPINION**

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received consent from the Auditors of the Company to include their name as an expert in this Draft Prospectus in relation to the (a) Auditors' Reports on the restated Audited financial statements; and (b) Statement of Special Tax Benefits and such consent has not been withdrawn as on the date of this Draft Prospectus.

However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

## **TRUSTEES**

This is an Issue of equity shares hence appointment of trustees is not required.

## **MONITORING AGENCY**

Since the proceeds from the Fresh Issue does not exceed ₹10,000 Lakh in terms of Regulation 262 (1) of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

## **APPRAISAL AGENCY**

Our Company has not appointed any appraising agency for appraisal of the Project.

## **FILING OF OFFER DOCUMENT**

The Draft Prospectus and Prospectus is being filed with BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001, Maharashtra, India.

Pursuant to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2022, Draft Prospectus shall not be submitted to SEBI, however, soft copy of Prospectus shall be submitted to SEBI pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. SEBI will not issue any observation on the offer document in term of Regulation 246(2) of the SEBI ICDR Regulations.

A copy of the Prospectus along with the material contracts and documents referred elsewhere in the Prospectus required to be filed under Section 26 of the Companies Act, 2013 will be delivered to the Registrar of Companies, Pune, situated at PCNTDA Green Building, Block A, 1<sup>st</sup> & 2<sup>nd</sup> Floor, Near Akurdi Railway Station, Akurdi, Pune – 411044, Maharashtra, India

## **WITHDRAWAL OF THE ISSUE**

In accordance with the SEBI (ICDR) Regulations, Our Company in consultation with the LM, reserve the right to not to proceed with the Issue at any time before the Issue Opening Date without assigning any reason thereof.

If our Company withdraws the Issue after the Issue Closing Date, we will give reason thereof within two days by way of a public notice which shall be published in the same newspapers where the pre-issue advertisements were published.

Further, the Stock Exchange shall be informed promptly in this regard and the Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the Bank Accounts of the ASBA Applicants within one Working Day from the date of receipt of such notification.

In case our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a Offer Document with the Stock Exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining the final Listing and Trading Approval of the Stock Exchange, which the Company shall apply for after Allotment. In terms of the SEBI Regulations, Non-Retail Applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

## UNDERWRITING AGREEMENT

This Issue is 100% Underwritten. The Underwriting agreement is dated July 20, 2023. Pursuant to the terms of the Underwriting Agreement the obligations of the Underwriters are several and are subject to certain conditions specified therein.

The Underwriter Have indicated its intention to underwrite the following number of specified securities being offered through this Issue:

Details of the Underwriter	No. of shares underwritten	Amount Underwritten (₹ in Lakh)	% of the Total Issue Size Underwritten
<b>INDORIENT FINANCIAL SERVICES LIMITED</b> Rustomjee Central Park, A-Wing, 501, Executive Spaces, Andheri Kurla Road, Chakala, Mumbai – 400093 Maharashtra, India. <b>Tel No.:</b> +91 79772 12186 <b>Email:</b> <a href="mailto:compliance-ifsl@indorient.in">compliance-ifsl@indorient.in</a> <b>Website:</b> <a href="http://www.indorient.in/">http://www.indorient.in/</a> <b>Contact Person:</b> Ivor Anil Misquith <b>SEBI Registration No:</b> INM000012661 <b>CIN:</b> U67190DL1993PLC052085	Upto 20,00,000	[●]	100.00
<b>TOTAL</b>	<b>Upto 20,00,000</b>	<b>[●]</b>	<b>100.00</b>

*\*Includes up to [●] Equity Shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker [●] in its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, 2018, as amended.*

*As per Regulation 260(2) of SEBI (ICDR) Regulations, 2018, the Lead Manager has agreed to underwrite to a minimum extent of 15% of the Issue out of its own account.*

In the opinion of the Board of Directors of our Company, the resources of the above-mentioned Underwriter are sufficient to enable them to discharge their respective obligations in full.

## DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE

Our Company has entered into Market Making Agreement dated July 20, 2023 with the Lead Manager and Market Maker to fulfil the obligations of Market Making:

The details of Market Maker are set forth below:

<b>Name</b>	Alacrity Securities Limited
<b>Address</b>	101-102/B, Hari Darshan, Bhogilal Fadia Road, Kandivali West, Mumbai – 400067
<b>Tel No.</b>	022-69527500
<b>Email</b>	<a href="mailto:alacritysec@gmail.com">alacritysec@gmail.com</a>

<b>Contact Person</b>	Kishore V. Shah
<b>CIN</b>	L99999MH1994PLC083912
<b>SEBI Registration No.</b>	INZ000215936
<b>Market Maker Registration No. (SME Segment of BSE)</b>	112 6361

Alacrity Securities Limited, registered with SME Platform of BSE Limited will act as the Market Maker and has agreed to receive or deliver the specified securities in the Market Making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI (ICDR) Regulations.

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, and its amendments from time to time and the circulars issued by the BSE Limited and SEBI regarding this matter from time to time.

**Following is a summary of the key details pertaining to the Market Making Arrangement:**

- 1) The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker shall inform the Stock Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
- 2) The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of the BSE SME and SEBI from time to time.
- 3) After completion of the first three months of market making, in terms of SEBI Circular No. CIR/MRD/DSA/31/2012 dated November 27, 2012; the Market Maker shall be exempt from providing buy quote on attaining the prescribed threshold limits (including the mandatory allotment of 5% of Equity Shares of the Issue). Further, the Market Maker can offer buy quotes only after the Market Maker complies with prescribed re-entry threshold limits. Only those Equity Shares which have been acquired by the Market Maker on the platform of the SME Exchange during market making process shall be counted towards the Market Maker's threshold. The Market Maker shall be required to provide two-way quotes during the first three months of the market making irrespective of the level of holding.
- 4) The minimum depth of the quote shall be ₹ 1.00 Lakhs. However, the investors with holdings of value less than ₹ 1.00 Lakhs shall be allowed to offer their holding to the Market Maker in that scrip provided that they sell their entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
- 5) There shall be no exemption / threshold on downside. However, in the event the market maker exhausts his inventory through market making process, the concerned stock exchange may intimate the same to SEBI after due verification.
- 6) On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the preopen call auction. The securities of the company will be placed in Special Pre-Open Session (SPOS) and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity shares on the Stock Exchange.
- 7) There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, Alacrity Securities Limited is acting as the sole Market Maker.
- 8) The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the SME Platform of BSE Limited (in this case currently the minimum trading lot size is [●] Equity Shares; however, the same may be changed by the SME Platform of BSE Limited from time to time).
- 9) There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while *force-majeure* will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
- 10) The Inventory Management and Buying/ Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and BSE SME from time to time.

- 11) Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
- 12) The shares of the company will be traded in continuous trading session from the time and day the company gets listed on BSE SME and market maker will remain present as per the guidelines mentioned under BSE and SEBI circulars.
- 13) The Market Maker shall start providing quotes from the day of the listing/ the day when designated as the Market Maker for the respective scrip and shall be subject to the guidelines laid down for market making by the SME Platform.
- 14) Market Maker shall not buy the Equity Shares from the Promoters or Persons belonging to promoter group of the Company or any person who has acquired shares from such promoter or person belonging to promoter group, during the compulsory market making period.
- 15) The Promoters' holding of the company shall not be eligible for offering to the Market Maker during the Compulsory Market Making Period. However, the promoters' holding of the company which is not locked-in as per the SEBI (ICDR) Regulations, 2018 as amended, can be traded with prior permission of the SME Platform of BSE Limited, in the manner specified by SEBI from time to time.
- 16) The Market Maker shall not be responsible to maintain the price of the Equity Shares of the Company at any particular level and is purely supposed to facilitate liquidity on the counter of the company via its 2-way quotes. The price of the Equity Shares shall be determined and be subject to market forces.
- 17) The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.
- 18) The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Company, who shall then be responsible to appoint a replacement Market Maker.
- 19) In case of termination of the abovementioned Market Making Agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Company to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of Regulation 261 of the SEBI ICDR Regulations. Further the Company reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time.
- 20) **Risk containment measures and monitoring for Market Maker:** BSE SME will have all margins which are applicable on the Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
- 21) **Punitive Action in case of default by Market Maker:** BSE SME will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.

- 22) **Price Band and Spreads:** Pursuant to SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to ₹ 250 crores the applicable price bands for the first day shall be:
  - a. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
  - b. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.

Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.

23) The following spread will be applicable on the BSE SME:

Sr. No.	Market Price Slab (in ₹)	Proposed Spread (in % to sale price)
1.	Up to 50	9
2.	50 to 75	8
3.	75 to 100	7
4.	Above 100	6

24) Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market maker(s) during market making process has been made applicable, based on the issue size and as follows:

Issue Size	Buy quote exemption threshold (Including mandatory initial inventory of 5 % of the Issue Size)	Re-Entry threshold for buy quote (including mandatory initial inventory of 5 % of the Issue Size)
Up to ₹ 20 Crores	25%	24%
₹ 20 to ₹ 50 Crores	20%	19%
₹ 50 to ₹ 80 Crores	15%	14%
Above ₹ 80 Crores	12%	11%

25) The Market Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and / or norms issued by SEBI/ BSE from time to time.

26) All the above-mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time.

## SECTION VI: CAPITAL STRUCTURE

The Equity Share Capital of our Company, as on the date of this Draft Prospectus and after giving effect to the Issue is set forth below:

(₹ in Lakh except share data)

Sr. No.	Particulars	Aggregate Value at Face Value	Aggregate Value at Issue Price <sup>(3)</sup>
<b>A.</b>	<b>Authorised Share Capital</b>		
	1,00,00,000 Equity Shares of face value of ₹ 10.00 each	1,000.00	-
<b>B.</b>	<b>Issued, Subscribed and Paid-Up Equity Share Capital before the Issue</b>		
	54,38,730 Equity Shares of face value of ₹ 10.00 each	543.87	-
<b>C.</b>	<b>Present Issue in terms of this Draft Prospectus</b>		
	Issue of upto 20,00,000 Equity Shares of face value of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share) <sup>(1)</sup>	[●]	[●]
	<i>Which comprises:</i>		
<b>D.</b>	<b>Reservation for Market Maker portion</b>		
	[●] Equity Shares of face value of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share)	[●]	[●]
<b>E.</b>	<b>Net Issue to the Public</b>		
	Upto [●] Equity Shares of face value of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share)	[●]	[●]
	<i>Of which:</i> <sup>(2)</sup>		
	Upto [●] Equity Shares of face value of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share) will be available for allocation to Retail Individual Investors of up to ₹ 2.00 Lakh	[●]	[●]
	Upto [●] Equity Shares of face value of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share) will be available for allocation to Other than Retail Individual Investors of above ₹ 2.00 Lakh	[●]	[●]
<b>F.</b>	<b>Issued, Subscribed and Paid-up Equity Share Capital after the Issue</b>		
	[●] Equity Shares of face value of ₹ 10 each	[●]	[●]
<b>G.</b>	<b>Securities Premium Account</b>		
	Before the Issue		215.75
	After the Issue		[●]

1) The present Issue has been authorized by our Board pursuant to a resolution passed at its meeting held on April 03, 2023, 2023 and by our Shareholders pursuant to a Special Resolution passed at the Extra-Ordinary General meeting held on May 02, 2023.

2) Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Issue Size. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

3) To be finalized upon determination of the Issue Price.

## CLASS OF SHARES

As on date of this Draft Prospectus, our Company has only one class of shares i.e., Equity Shares of ₹ 10.00 each. All Equity Shares issued are fully paid up. Our Company does not have any outstanding convertible instruments as on the date of this Draft Prospectus.

## NOTES TO THE CAPITAL STRUCTURE

### 1. Changes in Authorized Share Capital

Since incorporation, the capital structure of our Company has been altered in the following manner:

- The initial authorized share capital of ₹5,50,00,000.00 divided into 55,00,000 Equity Shares of ₹10.00 each.
- The authorized share capital was further increased from ₹5,50,00,000.00 divided into 55,00,000 Equity Shares of ₹10.00 each to ₹ 10,00,00,000.00 divided into 1,00,00,000 Equity Shares of ₹10.00 each vide Shareholders' Resolution dated May 02, 2023.

### 2. History of Issued and Paid-Up Share Capital of our Company

The following table sets forth details of the history of the Equity Share capital of our Company:

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue Price (₹)	Nature of Consideration	Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)	Cumulative Share Premium (₹)
Upon Incorporation January 02, 2023	50,96,264	10.00	10.00	Conversion of Erstwhile Partnership Firm to Company under Chapter XXI of the Companies Act, 2013	Subscriber to the MOA <sup>(i)</sup>	50,96,264	5,09,62,640	Nil
July 07, 2023	3,42,466	10.00	73.00	Cash	Private Placement <sup>(ii)</sup>	54,38,730	5,43,87,300	2,15,75,358

(i) Initial Subscribers to the Memorandum of Association of our Company:

Sr. No	Names of Allottees	Number of Equity Shares
1	Ajay Ramakant Ojha	25,48,132
2	Prasad Rangrao Pawar	25,48,127
3	Aniket Vijay Kadam	1
4	Amit Shankar Chikane	1
5	Nikhil Laxman Kane	1
6	Kiran Bhagwat Shinde	1
7	Shaikh Mohammad Nadeem	1
<b>TOTAL</b>		<b>50,96,264</b>



(ii) The details of private placement of 3,42,466 equity shares made on July 07, 2023 as follows:

Sr. No	Names of Allottees	Number of Equity Shares
1	Saint Capital Fund	1,71,216
2	Aarhat Trade-Com Private Limited	68,500
3	Payal Manish Agarwal	1,02,750
<b>TOTAL</b>		<b>3,42,466</b>

3. Our Company has not issued any shares for consideration other than cash.
4. No equity shares have been allotted in terms of any scheme approved under Section 230-234 of the Companies Act, 2013.
5. Our Company has not issued any shares pursuant to an Employee Stock Option Scheme/ Employee Stock Purchase Scheme for our employees.
6. We have not re-valued our assets since inception and have not issued any equity shares by capitalizing any revaluation reserves.
7. Except as disclosed below, we have not issued any Equity Shares at price below Issue price within last one year from the date of this Draft Prospectus:

Date of allotment	Number of Equity Shares	Face value (₹)	Issue Price (₹)	Nature of Consideration	Allottees	Number of Equity Shares allotted
[•]	[•]	[•]	[•]	[•]	[•]	[•]

#### 8. Our Shareholding Pattern

The table below presents the current shareholding pattern of our Company as per Regulation 31 of SEBI LODR Regulations as on the date of this Draft Prospectus:

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held	No. of shares underlying Depository	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No. of Underlying Outstanding convertible	Shareholding as a % assuming full convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) As a	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)*	
								No of Voting Rights					Total as a % of (A+B+C)	No (a)	As a % of total Shares held (b)	No (a)		As a % of total Shares held (b)
								Class-Equity	Class	Total								
A	Promoters & Promoter Group	2	48,41,446	-	-	48,41,446	89.02	48,41,446	-	48,41,446	89.02	-	89.02	-	-	-	-	48,41,446
B	Public	8	5,97,284	-	-	5,97,284	10.98	5,97,284	-	5,97,284	10.98	-	10.98	-	-	-	-	5,97,284
C	Non - Promoter Non - Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>		<b>10</b>	<b>54,38,730</b>	<b>-</b>	<b>-</b>	<b>54,38,730</b>	<b>100.00</b>	<b>54,38,730</b>	<b>-</b>	<b>54,38,730</b>	<b>100.00</b>	<b>-</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>54,38,730</b>

Note:

- As on date of this Draft Prospectus 1 Equity share holds 1 vote.
- Our Company will file the shareholding pattern in the form prescribed under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015,

**9. Equity Shareholding of Directors and Key Managerial Personnel in our Company:**

Except as stated below, none of our Directors' or Key Managerial Personnel hold any Equity Shares in our Company:

Sr. No.	Name of Shareholder	No. of Equity Shares	% of Pre-Issue Capital	No. of Equity Shares	% of Post-Issue Capital
1	Ajay Ramakant Ojha	24,20,725	44.51	24,20,725	[●]
2	Prasad Rangrao Pawar	24,20,721	44.51	24,20,721	[●]
3	Aniket Vijay Kadam	2,54,814	4.69	2,54,814	[●]
<b>TOTAL</b>		<b>50,96,260</b>	<b>93.70</b>	<b>5,096,260</b>	<b>[●]</b>

**10. List of shareholders holding 1% or more of the paid-up capital of our Company as on date of this Draft Prospectus:**

Sr. No.	Name of Shareholder	No. of Shares	% of Pre-Issue Capital
1	Ajay Ramakant Ojha	24,20,725	44.51
2	Prasad Rangrao Pawar	24,20,721	44.51
3	Aniket Vijay Kadam	2,54,814	4.69
4	Saint Capital Fund	1,71,216	3.15
5	Aarhat Trade-Com Private Limited	68,500	1.26
6	Payal Manish Agarwal	1,02,750	1.89

**11. List of shareholders holding 1% or more of the paid-up capital of our company as on date ten days prior to the date of this Draft Prospectus:**

Sr. No.	Name of Shareholder	No. of Shares	% of Pre-Issue Capital
1	Ajay Ramakant Ojha	24,20,725	44.51
2	Prasad Rangrao Pawar	24,20,721	44.51
3	Aniket Vijay Kadam	2,54,814	4.69
4	Saint Capital Fund	1,71,216	3.15
5	Aarhat Trade-Com Private Limited	68,500	1.26
6	Payal Manish Agarwal	1,02,750	1.89

12. List of Shareholders holding 1% or more of the paid-up Share Capital of our Company as of one year prior to the date of this Draft Prospectus is not applicable as the status of our company was "Partnership firm" one year prior to the date of filing of this Draft Prospectus. Our Company has been converted from Partnership firm namely M/s Technogreen Environmental Solutions to Company with effect from January 02, 2023.

13. List of Shareholders holding 1% or more of the paid-up Share Capital of our Company as of two years prior to the date of this Draft Prospectus is not applicable as the status of our company was "Partnership firm" two years prior to the date of filing of this Draft Prospectus. Our Company has been converted from Partnership firm namely M/s Technogreen Environmental Solutions to Company with effect from January 02, 2023.

14. Our Company has not made any public issue (including any rights issue to the public) since its incorporation

15. Our Company does not have any intention or proposal to alter our capital structure within a period of six (6) months from the date of opening of the Issue by way of split/consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or bonus, rights, further public issue or qualified institutions placement or otherwise, except that if our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such

nature is determined by its Board of Directors to be in the interest of our Company.

#### 16. Details of our Promoters Shareholding

As on the date of this Draft Prospectus, our Promoter Ajay Ramakant Ojha and Prasad Rangrao Pawar, hold 89.02% of the pre-issue, subscribed and paid-up Equity Share capital of our Company.

#### Build-up of our Promoter's shareholding in Our Company since incorporation

Date of Allotment / Transfer	Number of Equity Shares	Face Value (₹)	Issue / Acquisition / Transfer Price (₹)	Consideration	Nature of Issue	% of pre-Issue equity share capital	% of post Issue equity share capital	Pledge
<b>Ajay Ramakant Ojha</b>								
Upon incorporation January 02, 2023	25,48,132	10.00	10.00	Cash	Subscribers to Memorandum pursuant to conversion of partnership firm*	46.85	[●]	No
July 14, 2023	(1,27,407)	10.00	18.00	Cash	Equity Shares transferred to Aniket Vijay Kadam	(2.34)	[●]	No
<b>Total</b>	<b>24,20,725</b>					<b>44.51</b>	<b>[●]</b>	
<b>Prasad Rangrao Pawar</b>								
Upon incorporation January 02, 2023	25,48,127	10.00	10.00	Cash	Subscribers to Memorandum pursuant to conversion of partnership firm*	46.85	[●]	No
July 14, 2023	(1,27,406)	10.00	18.00	Cash	Equity Shares transferred to Aniket Vijay Kadam	(2.34)	[●]	No
<b>Total</b>	<b>24,20,721</b>					<b>44.51</b>	<b>[●]</b>	

\*Equity Shares allotted pursuant to conversion of "Technogreen Environmental Solutions" a partnership firm into our Company under Part I of Chapter XXI of the Companies Act, 2013

#### Notes:

*The entire Promoter's shares shall be subject to lock-in from the date of allotment of the equity shares issued through this Draft Prospectus for periods as per applicable Regulations of the SEBI (ICDR) Regulations.*

#### 17. Pre-Issue and Post-Issue Shareholding of our Promoters and Promoter Group:

The shareholding pattern of our Promoter and Promoter Group before and after the Issue is set forth below:

Sr. No.	Name of Shareholders	Pre-Issue		Post-Issue	
		No. of Shares	% Holding	No. of Shares	% Holding
<b>Promoters &amp; Promoter Group</b>					
1	Ajay Ramakant Ojha	24,20,725	44.51	24,20,725	[●]
2	Prasad Rangrao Pawar	24,20,721	44.51	24,20,721	[●]
	<b>Total</b>	<b>48,41,446</b>	<b>89.02</b>	<b>48,41,446</b>	<b>[●]</b>

18. Except as disclosed below, no subscription to or sale or purchase of the securities of our Company within three years preceding the date of filing of the Draft Prospectus by our Promoters or Directors or Promoter Group which in aggregate equals to or is greater than 1% of the pre- issue share capital of our Company:

Sr. No.	Name of Shareholder	Date of Transaction	Promoter/ Promoter Group/ Director	Number of Equity Shares Subscribed to/ Acquired	Number of Equity Shares sold	Subscribed/ Acquired/ Transferred
1	Ajay Ramakant Ojha	Upon Incorporation January 02, 2023	Promoter	25,48,132	--	Subscribed to MOA
2	Prasad Rangrao Pawar	Upon Incorporation January 02, 2023	Promoter	25,48,127	--	Subscribed to MOA
3	Ajay Ramakant Ojha	July 14, 2023	Promoter	--	(1,27,407)	Transferred to Aniket Vijay Kadam
4	Prasad Rangrao Pawar	July 14, 2023	Promoter	--	(1,27,406)	Transferred to Aniket Vijay Kadam
5	Aniket Vijay Kadam	July 14, 2023	Director	1,27,407	--	Acquired from Ajay Ramakant Ojha
6	Aniket Vijay Kadam	July 14, 2023	Director	1,27,406	--	Acquired from Prasad Rangrao Pawar

19. None of our Directors or Key Managerial Personnel or Senior Management hold any Equity Shares other than as set out below:

Name	Designation	No. of Equity Shares held
Ajay Ramakant Ojha	Promoter and Managing Director	24,20,725
Prasad Rangrao Pawar	Promoter and Chief Executive Officer	24,20,721
Aniket Vijay Kadam	Director and Chief Financial Officer	2,54,814
Kiran Bhagwat Shinde	Execution Head – Technology	1
Shaikh Mohammad Nadeem	Regulatory Head – Consultancy	1

20. None of our Promoters, Promoter Group, Directors and their relatives has entered into any financing arrangement or financed the purchase of the Equity Shares of our Company by any other person during the period of six months immediately preceding the date of filing of the Draft Prospectus.

21. **Promoter's Contribution and Lock-in details**

***Details of Promoters' Contribution locked-in for three (3) years***

Pursuant to the Regulation 236 and 238 of SEBI ICDR Regulations, an aggregate of at least 20.00% of the post issue Equity Share capital of our Company held by our Promoters shall be locked-in for a period of three years from the date of Allotment in this Issue. As on date of this Draft Prospectus, our Promoters hold up to 48,41,446 Equity Shares constituting [●] % of the Post Issued, Subscribed and Paid-up Equity Share Capital of our Company, which are eligible for Promoters' Contribution.

Details of the Equity Shares forming part of Promoters' Contribution and their lock-in details are as follows:

Name of Promoter	Date of Allotment/ Acquisition & when made fully paid up	No of Equity shares	No of Equity shares locked in	Face Value (in ₹)	Issue Price (in ₹)	Nature of Allotment	% Of Post-Issue Paid-up Capital	Lock-in Period
Ajay Ramakant Ojha	[●]	[●]	[●]	[●]	[●]	Subscribers to MOA pursuant conversion of partnership firm	[●]	[●]
Prasad Rangrao Pawar	[●]	[●]	[●]	[●]	[●]	Subscribers to MOA pursuant conversion of partnership firm	[●]	[●]

The Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Promoters' Contribution under Regulation 237 of the SEBI ICDR Regulations. In this computation, as per Regulation 237 of the SEBI ICDR Regulations, our Company confirms that the Equity Shares locked-in do not, and shall not, consist of:

- Equity Shares acquired three years preceding the date of this Draft Prospectus for consideration other than cash and out of revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves or reserves without accrual of cash resources or unrealized profits or against equity shares which are otherwise ineligible for computation of Promoters' Contribution.
- The Equity Shares acquired during the year preceding the date of this Draft Prospectus, at a price lower than the price at which the Equity Shares are being offered to the public in the Issue is not part of the minimum promoters' contribution;
- The Equity Shares held by the Promoters and offered for minimum 20% Promoters' Contribution are not subject to any pledge or any other form of encumbrances.
- Specific written consent has been obtained from the Promoters for inclusion of [●] Equity Shares for ensuring lockin of three years to the extent of minimum 20.00% of post issue Paid-up Equity Share Capital from the date of allotment in the public issue.
- The minimum Promoters' Contribution consists of Equity Shares allotted to the promoters against the capital existing in the erstwhile partnership firm for a period of more than one year on a continuous basis.
- The minimum Promoters' Contribution has been brought to the extent of not less than the specified minimum lot and from the persons defined as Promoter under the SEBI ICDR Regulations.
- We further confirm that our Promoters' Contribution of minimum 20% of the Post Issue Equity does not include any contribution from Alternative Investment Funds or FVCI or Scheduled Commercial

Banks or Public Financial Institutions or Insurance Companies.

***Equity Shares locked-in for one year other than Minimum Promoters' Contribution***

Pursuant to Regulation 238(b) and 239 of the SEBI ICDR Regulations, other than the Equity Shares held by our Promoters, which will be locked-in as minimum Promoters' contribution for three years, all pre-issue [●] Equity Shares shall be subject to lock-in for a period of one year from the date of Allotment in this Issue.

***Inscription or recording of non-transferability***

In terms of Regulation 241 of the SEBI ICDR Regulations, our Company confirms that certificates of Equity Shares which are subject to lock in shall contain the inscription "Non-Transferable" and specify the lock-in period and in case such equity shares are dematerialized, the Company shall ensure that the lock – in is recorded by the Depository.

***Pledge of Locked in Equity Shares***

Pursuant to Regulation 242 of the SEBI ICDR Regulations, the locked-in Equity Shares held by our Promoters can be pledged with any scheduled commercial bank or public financial institution or systematically important non-banking finance company or a housing finance company as collateral security for loans granted by them, provided that:

- (a) if the equity shares are locked-in in terms of clause (a) of Regulation 238, the loan has been granted to the company or its subsidiary(ies) for the purpose of financing one or more of the objects of the issue and pledge of equity shares is one of the terms of sanction of the loan;
- (b) if the specified securities are locked-in in terms of clause (b) of Regulation 238 and the pledge of specified securities is one of the terms of sanction of the loan.

Provided that such lock-in shall continue pursuant to the invocation of the pledge and such transferee shall not be eligible to transfer the equity shares till the lock-in period stipulated in these regulations has expired.

***Transferability of Locked in Equity Shares***

- (a) Pursuant to Regulation 243 of the SEBI ICDR Regulations, Equity Shares held by our Promoters, which are locked in as per Regulation 238 of the SEBI ICDR Regulations, may be transferred to and amongst our Promoters/ Promoter Group or to a new promoter or persons in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI SAST Regulations as applicable.
  - (b) Pursuant to Regulation 243 of the SEBI ICDR Regulations, Equity Shares held by shareholders other than our Promoters, which are locked-in as per Regulation 239 of the SEBI ICDR Regulations, may be transferred to any other person holding shares, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI SAST Regulations as applicable.
22. Neither the Company, nor it's Promoters, Directors or the Lead Manager have entered into any buyback and/or standby arrangements for purchase of Equity Shares of the Company from any person.
  23. All Equity Shares offered pursuant to the Issue shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Draft Prospectus. Further, since the entire money in respect of the Issue is being called on application, all the successful Applicants will be offered fully paid-up Equity Shares.
  24. As on the date of this Draft Prospectus, the Lead Manager and their respective associates (as defined under the SEBI MB Regulations) do not hold any Equity Shares of our Company. The Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.

25. As on date of this Draft Prospectus, there are no outstanding ESOPs, warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares, nor has the company ever allotted any equity shares pursuant to conversion of ESOPs till date. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
26. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under “Basis of Allotment” in the section titled “*Issue Procedure*” beginning on page 218 of this Draft Prospectus. In case of oversubscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 (2) of SEBI ICDR Regulations, as amended from time to time.
27. An over-subscription to the extent of 10% of the Net Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Net Issue, as a result of which, the post issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to lock-in shall be suitably increased; so as to ensure that 20% of the post issue paid-up capital is locked in.
28. Subject to valid applications being received at or above the Issue Price, under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.
29. Prior to this Initial Public Offer, our Company has not made any public issue or right issue to public at large.
30. We have (10) Shareholders as on the date of filing of the Draft Prospectus.
31. As per RBI regulations, OCBs are not allowed to participate in this Issue.
32. Our Company has not raised any bridge loans.
33. There shall be only one denomination of Equity Shares of our Company unless otherwise permitted by law. Our Company shall comply with disclosure and accounting norms as may be specified by SEBI from time to time.
34. No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this Issue.
35. Our Company shall ensure that transactions in the Equity Shares by our Promoters and our Promoter Group between the date of this Draft Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within 24 hours of such transaction.
36. Our Promoters and Promoter Group will not participate in the Issue.
37. There are no safety net arrangements for this Public Issue.



## SECTION VII: PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

The issue comprises of Fresh Issue by our Company (Fresh Issue).

#### **FRESH ISSUE**

Our Company proposes to utilize the Net Proceeds from the Fresh Issue towards funding the following objects:

1. Investment in research and development (“R&D”) initiatives with includes hiring of experienced R&D resources and purchase of equipment to support R&D initiatives
2. Investment in office Premises
3. Refurbishment of new office premises and purchase of office equipment’s
4. Expansion of our execution and support service teams including hiring of resources with expertise in environmental consulting.
5. Repayment of Bank facilities
6. General Corporate purposes

In addition to the aforementioned objects, our Company expects to receive the benefits of listing of the Equity Shares on the SME Platform of BSE Limited, including among things, enhancing the visibility of our brand and of the Company among existing and potential customers.

The main objects clause and objects incidental and ancillary to the main objects of our Memorandum of Association permits us to undertake our existing activities and the activities for which the funds are being raised by us, through the present Issue.

#### **PROCEEDS OF FRESH ISSUE**

The following table sets forth the details of the Net Proceeds:

<b>Particulars</b>	<b>Amount*</b>
Gross Proceeds of the Fresh Issue	[●]
Less: Issue related expenses in relation to the Fresh Issue	[●]
<b>Net Proceeds</b>	<b>[●]</b>

*\*To be updated in the Prospectus prior to filing with RoC.*

#### **UTILIZATION OF NET PROCEEDS**

The following table sets forth the details of the proposed utilisation of the Net Proceeds:

<b>Sr. No.</b>	<b>Particulars</b>	<b>Estimated Amount*</b>	<b>% of Gross Proceed</b>	<b>% of Net Proceed</b>
1	Investment in research and development (“R&D”) initiatives with includes hiring of experienced R&D resources and purchase of equipment to support R&D initiatives	140.00	[●]	[●]
2	Investment in office Premises	200.00	[●]	[●]
3	Refurbishment of new office Premises and purchase of office equipment’s	100.00	[●]	[●]
4	Expansion of our execution and support service teams including hiring of resources with expertise in environmental consulting.	180.00	[●]	[●]
5	Repayment of Bank facilities	270.00	[●]	[●]
6	General Corporate purposes	[●]	[●]	[●]
	<b>TOTAL</b>	<b>[●]</b>	<b>[●]</b>	<b>[●]</b>

*#The amount utilized for general corporate purpose shall not exceed 25% of the gross proceeds of the Fresh Issue.*

\*To be updated in the Prospectus prior to filing with RoC.

### PROPOSED SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF NET PROCEEDS

The following table sets forth the details of the schedule of the estimated deployment of the Net Proceeds:

*(₹ in Lakh)*

Sr. No.	Objects	Amount to be financed from Net Proceeds*	FY – 2024	FY – 2025	FY – 2026
1	Investment in research and development (“R&D”) initiatives with includes hiring of experienced R&D resources and purchase of equipment to support R&D initiatives	140.00	60.00	40.00	40.00
2	Investment in office Premises	200.00	200.00	--	--
3	Refurbishment of new office Premises and purchase of office equipment’s	100.00	100.00	--	--
4	Expansion of our execution and support service teams including hiring of resources with expertise in environmental consulting.	180.00	180.00	--	--
5	Repayment of Bank facilities	270.00	270.00	--	--
6	General Corporate purposes	[•]	[•]	[•]	[•]
	<b>TOTAL</b>	[•]	[•]	[•]	[•]

#The amount utilized for general corporate purpose does not exceed 25% of the gross proceeds of the Issue.

\*To be updated in the Prospectus prior to filing with RoC.

The fund requirements, the proposed deployment of funds and the intended use of the Net Proceeds as set-out above are based on our current business plans, management estimates of future growth projections, vendor quotations, current circumstances of our business and prevailing market conditions, which are subject to change. The fund requirements and proposed deployment of funds described herein have not been appraised by any bank or financial institution or any other independent agency. For details on risks involved, see “**Risk Factors** No. 18 – *Our funding requirements and proposed deployment of the Net Proceeds have not been appraised by a bank or a financial institution and if there are any delays or cost overruns, we may have to incur additional cost to fund the objects of the Offer because of which our business, financial condition and results of operations may be adversely affected.*” on page 29 of this Draft Prospectus

We may have to revise our funding requirements and deployment from time to time on account of various factors, such as, financial and market conditions, competition, business and strategy, negotiation with lenders and our vendors, interest/exchange rate fluctuations and other external factors, which may not be within the control of our management. This may entail rescheduling or revising the proposed utilisation of the Net Proceeds and changing the allocation of funds from its planned allocation including the expenditure for a particular purpose at the discretion of our management, subject to compliance with applicable law.

We propose to deploy the Net Proceeds towards the Objects over financial year 2024, 2025 and 2026 with a significant majority of the proceeds being deployed in financial year 2024. However, if the Net Proceeds are not completely utilised for the objects stated above by the end of the above-mentioned period, such amounts will be utilised (in part or full) in subsequent periods, as determined by us, in accordance with applicable law.

Subject to applicable laws, in the event of any increase in the actual utilisation of funds earmarked for the purposes set forth above, such additional funds for a particular activity will be met by way of means available to us, including from internal accruals and/or debt arrangements from existing and future lenders.

### **Means of Finance**

We intend to completely finance the Objects from the Net Proceeds. Accordingly, we confirm that we are in compliance with the requirements prescribed under Paragraph 9I(1) of Part A of Schedule VIII and Regulation 7(1)I of the SEBI ICDR Regulations and there is no requirement for us to make firm arrangements of finance through verifiable means towards 75% of the stated means of finance, excluding the amount to be raised through the Fresh Issue, and existing internal accruals. In case of shortfall in the Net Proceeds or any increase in the actual utilisation of funds earmarked for the Objects, our Company may explore a range of options including utilising our internal accruals and/ or availing further borrowings. Further, if the actual utilisation towards any of the objects is lower than the proposed deployment, such balance will be used for funding other objects as mentioned above or towards general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Gross Proceeds from the Fresh Issue in accordance with the SEBI ICDR Regulations.

## **DETAILS OF THE OBJECTS OF THE ISSUE**

### **INVESTMENT IN RESEARCH AND DEVELOPMENT (“R&D”) INITIATIVES WITH INCLUDES HIRING OF EXPERIENCED R&D RESOURCES AND PURCHASE OF EQUIPMENT TO SUPPORT R&D INITIATIVES**

Innovation has always formed the backbone of our Company working right from the beginning of our Promoters journey into this field and the formation of erstwhile Partnership firm “Technogreen Environmental Solutions”. Research & Development (“R&D”) principles learnt & habited during PhD of Dr. Ajay Ojha, formed the very basis of incorporation of TSL wherein need for investigating new arenas of wastewater treatment technologies drove the quest for research in this segment. Following years of research as a team member, “*System and Method for The Treatment of Wastewater Using Plants short for “Phytorid” wastewater treatment technology*” was patented through National Environmental Engineering Research Institute [NEERI] which was the starting point of career of Dr. Ajay Ojha as early as 2001.

The quest for innovation continued with further research on modifications of the already granted patent, and subsequently another patent on “*Enhanced Engineered Ecological System (EEES) for Wastewater Treatment*” was filed. Nevertheless, with the advent of newer insights into sustainability & looking at Indian markets consolidating environmental management into a wider regime of Environment, Social & Governance terms, our Company’s innovation hunch to be identified as innovators brought them to develop yet another enhancement in the original work to include sustainability in general and circularity in specifics leading to filing another patent titled “*Circular Economic Wetland Technology*” [CEWT] again for wastewater treatment. Mr. Prasad Pawar, CEO of TSL, has been instrumental in translating pilots into full scale developments with his expertise on scaling up projects and debugging implementation issues.

In fact, all this research was monetized through either Licensing from NEERI which was the parent patent communicator for Phytorid or through TSL’s own marketing & belief in modified / enhanced technology EEES and CEWT. The said R&D and product so developed marked an era of TSL’s growth grabbing several high value projects across India.

TSL is now identified by the market especially policy makers as group of Innovators and is able to secure projects on environmental consulting including several government projects. All such projects adding not only revenues for the company but also building the credentials of the company of being the most versatile environmental solutions consultancy. One such key project being using complex computations of Receptor Modelling for characterizing Mithi River Pollution. This project led to TSL securing other similar opportunities such as Receptor Modelling for characterizing Vashishthi River Pollution further culminating into implementation of CEWT for Nallah Wastewater Treatment to manage the river pollution. All these being government sponsored projects provided an edge to TSL for showcasing its innovative ideas on national & international platforms.

Nevertheless, R&D was not confined to wastewater projects alone and the leadership team at TSL's team has deepened its R&D engagement resulting in research publications in journals across regimes of environmental management. TSL has about 24 international & 6 national publications to its name. The most interesting element of our R&D initiative is that all such innovations have had sponsorships support.

Few examples of our R&D initiatives are as follows:

- (a) Outdoor & Indoor air pollution characterization & health impacts correlation led to developing Virtual Chimney & Yuka Yantra respectively as simple & effective means of air quality improvement equipment using advanced oxidation process technology. The final testing for Quality outputs is in progress and the product shall be ready to hit the markets before end of the year,
- (b) Dispersion modelling for policy research by TSL's innovative decision support system has been used by State Pollution Control Board for adopting innovative options to curb industrial air pollution that has finally help regulators to notify ban on several fuels
- (c) Environmental Forensics research by TSL has one of the leading Global Pharmaceutical Company to solve problem of illegal discharges from nearby industries into their premises.

Integrating environmental regimes with Infotech as a research & development project added another feather in TSL's hat with its ROCO app for carbon, water & ecological footprint calculations along with targeted reduction monitoring & e-catalyst app as an environment information application that is now owned by Maharashtra State Pollution Control Board which is regarded as the primary authority / regulator for all pollution related activities across State of Maharashtra.

TSL has several such research works already at certain successful stage of development & would wish to follow more rigorously to add to its intellectual property by bringing regular innovation products for environmental & sustainability management.

The future holds great promises and TSL is already geared up to initiate and advance R&D in the following areas

- Advanced Oxidation Process for Air Quality Improvement
- Quasi AI based IT regime for environmental compliance
- Climatology & Sustainability Decision Support through Mathematical Modelling
- Carbon Capture technologies
- Policy Research through Mathematical Modelling & AI for Decision Support System
- Technological Interventions through path breaking wastewater treatment technologies.

To drive its R&D objectives, the company intend to utilize ₹100.00 Lakh from the Net Proceeds of the Fresh Issue. The deployment of funds will be in hiring experienced personnel as well as purchase of equipment to carry out R&D activities.

*(₹ in Lakh)*

Sr. No.	Particulars	Amount to be funded from Net Proceeds	FY – 2024	FY – 2025	FY – 2026
1	Human resource cost	122.40	40.80	40.80	40.80
2	Purchase of equipment	15.85	15.85	--	--
<b>Total</b>		<b>138.25</b>	<b>56.65</b>	<b>40.80</b>	<b>40.80</b>

*Break up of Human Resource cost:*

Sr. no	Resource	No. of Resources	Cost per month (₹ in Lakh) per resource)	Total Cost per annum (₹ in Lakh)
1	Climatology specialist	1	1.00	12.00
2	Air Quality specialist	1	0.50	6.00

3	Air Quality Control modelling engineer (equipment   instruments)	1	1.00	12.00
4	Organic Chemistry specialist	1	0.50	6.00
5	General support specialist	1	0.40	4.80
<b>Total</b>		<b>5</b>		<b>40.80</b>

Note: We have received quotation from M/s SRE HR Services Private Limited dated 21<sup>st</sup> July 2023 for the resources we plan to hire and the same is and is valid for a period of 6 (six) months

Break up of equipment cost:

Sr. no	Details	Quotation received from	Qty	Total Cost (₹ in Lakh)
1	Multi Gas analyser	Multitech Enviro Analytical LLP	1	3.50
2	Multi Gas analyser (VOC)	Multitech Enviro Analytical LLP	1	3.25
3	Noise measurement	Ono Sokki	1	3.10
4	Multi Waste-water Parameter Monitor	Galleon Instru-Tech Private Limited	1	2.50
5	Odour monitoring	Multitech Enviro Analytical LLP	1	3.50
<b>Total</b>				<b>15.85</b>

The quotations received are valid for a period of 6 (six) months. We have not entered into any definitive agreements with the service providers and there can be no assurance that the same suppliers would be engaged to eventually execute the assignment at the same costs.

In the event that there is a shortfall of funds required for investment in R&D initiatives, such shortfall shall be met out of the amounts allocated for general corporate purposes and/or through internal accruals or borrowings from financial institutions.

#### PURCHASE OF NEW OFFICE PREMISES.

We operate from our registered office situated at Flat-202, Hem Opal Apartment, Plot No. 26, Ekta Park Society, Wakdewadi, Pune – 411003, Maharashtra which is leased from our promoter Mr. Ajay Ojha. Given our expansion and growth prospects including R&D initiatives as detailed above and resource hiring projections, we intend to purchase office premises that will allow staff to be co-located in a central location. Details as follows:

(₹ in Lakh)					
Sr.no	Property Location	Property status	Area (built up)	Cost of acquisition	Amount to be funded from Net Proceeds
1	Flat -101, Hem Opal Apartment, Plot No. 26, Ekta Park Society, Wakdewadi, Pune – 411003	Unfurnished	1,400.00 sq.ft	160.00	60.00
2	Flat -202, Hem Opal Apartment, Plot No. 26, Ekta Park Society, Wakdewadi, Pune – 411003	Furnished	1,272.00 sq.ft	140.00	140.00
<b>TOTAL</b>				<b>300.00</b>	<b>200.00</b>

Office Property 101: This property is being purchased from Mr. Tushar Hemraj Gandhi. The company has signed an LOI dated 20<sup>th</sup> July 2023. The title search report has been received from M/s Adv Hussain Rampurwala, which confirms the clear title of the said property. Of the total cost of the property of ₹ 160.00 (lakhs) of which ₹ 60.00 lakhs will be deployed from the Net Proceeds. Balance is being paid from internal accruals.

Office Property 202: This property is being purchased from our promoter Ajay Ramakant Ojha (property is currently being used as office premises). A registered valuer report dated 25<sup>th</sup> July 2023 has been obtained from

M/s Sunil Raut & Associates, an IBBI registered valuer. The property being purchased from the promoter is being done at arm's length as attested from the independent registered valuer report and further substantiated by the purchase consideration being paid for a property in the same premises i.e. Flat 101. The decision of the company to purchase the said property from the promoter is based on the following objectives:

- I. Decision primarily driven by the purchase of Flat 101 in the same premises i.e. Hem Opal Apartment, Plot No. 26, Ekta Park Society, Wakdewadi, Pune – 411003 which presents an opportunity to consolidate operations within same premises making it easier to expand and grow operations.
- II. Reduces to risk of business disruptions in case of possible termination of the lease by the owner.
- III. Reduce the rent outflow which as per current lease deed amounts to ₹3.60 (laks) per annum.

The company intend to utilize ₹200.00 Lakh from the Net Proceeds of the Fresh Issue toward the said object. In the event that there is a shortfall of funds required for this object, such shortfall shall be met out of the amounts allocated for general corporate purposes and/or through internal accruals or borrowings from financial institutions.

#### **REFURBISHMENT OF OFFICE PREMISES AND PURCHASE OF OFFICE EQUIPMENT'**

The firm has entered into a LOI dated 20th July 2023 to purchase unfurnished premises located at Flat -101, Hem Opal Apartment, Plot No. 26, Ekta Park Society, Wakdewadi, Pune – 411003. Accordingly, we intend to utilize upto ₹ 100.00 Lakh from the Net Proceeds towards refurbishment of the premises and purchase of office equipment to get the facility ready for commencing operations. The break-up of the expenditure is set forth below:

<i>(₹ in Lakh)</i>			
<b>Sr.no</b>	<b>Particulars</b>	<b>Quotation received from</b>	<b>Amount to be funded from Net Proceeds</b>
1.	Refurbishment cost of Flat 101, which includes furniture, fixtures – fittings, electricals and refurbishment cost, storage, Modernisation and interiors	M/s Himanshu Pathak	44.25
2.	Specialised software which includes AERMOD cloud, Energy simulation, Noise modelling, Autocad 3D, Water modelling, Life cycle analysis	Envitrans Private Limited, Reinvent Design Technologies LLP, SimaPRO, Autodesk	24.80
3.	Windows 365 and Acrobat licenses (50 users)	Quotation obtained from Microsoft and Acrobat website	14.00
4.	Laptops and desktops (39 units)	Quotation obtained from Amazon website	16.00
	<b>Total</b>		<b>99.05</b>

Quotations are valid for a period of 6 (six) months. We have not entered into any definitive agreements with the service provider and there can be no assurance that the same suppliers would be engaged to eventually execute the assignment at the same costs.

The quotations mentioned above do not include cost of freight, insurance, transportation and /or any other applicable government taxes as these can be determined only at the time of placing of orders. Such additional costs shall be funded from the Net Proceeds proposed to be utilised towards the financing of the above object or through contingencies, if required. As on the date of this Draft Prospectus, our Company has not deployed any funds towards the above-mentioned object.

Our Promoters, Directors, Key Management Personnel or Group Entities have no interest in the proposed procurements, as stated above.

In the event that there is a shortfall of funds required for above objects, such shortfall shall be met out of the amounts allocated for general corporate purposes and/or through internal accruals or borrowings from financial institutions.

**TO EXPAND OUR LEADERSHIP TEAM BY INDUCTING PROFESSIONAL QUALIFIED IN THE FIELD OF ESG CONSULTING THAT WILL LEAD THE COMPANY INTO THE NEXT PHASE OF GROWTH**

*“Great vision without great people is irrelevant” Jim Collins*

One of the key elements to execute the strategic plans of the Company across its business segments is to have a adequate resources with qualification and depth of experience to execute projects and handle operational matters of the company. Such a team will inter-alia (a) ensure a seamlessly execution of the Company’s strategic vision and goals (b) be positioned to deliver excellent client service (c) Drive innovation, strategic and tactical solutions to address Industry requirements (d) Strengthen corporate policy, governance and operating standards and (e) build a strong and a credible brand amongst its current and future clientele.

The Company intends to hire experienced resources within the following departments during the financial year 2023-24

<i>(₹ in Lakh)</i>			
Sr. No	Department	Count	Total Cost per annum
1	Finance & Accounts department	1	3.00
2	Human Resource Department	1	3.60
3	Environmental Consulting division	18	102.00
4	Information Technology	5	40.20
5	Legal and Compliance	1	6.60
6	Business development	3	21.60
	<b>TOTAL</b>	<b>29</b>	<b>177.00</b>

We have received quotation from M/s SRE HR Services Private Limited dated 21<sup>st</sup> July 2023 for the resources we plan to hire and the same is and is valid for a period of 6 (six) months until 20<sup>th</sup> January 2024.

These compensation numbers could change based on the pool of available candidates with the relevant experience. In the event that there is a shortfall of funds required for this object, such shortfall shall be met out of the amounts allocated for general corporate purposes and/or through internal accruals or borrowings from financial institutions.

**REPAYMENT OF BANK FACILITIES**

Our Company has entered into various financing arrangements, including borrowings in the form of long-term loans and cash credit facilities. As on March 31, 2023, our total fund-based borrowings amounted to ₹287.40 Lakh. For further details, see “*Statement of Financial Indebtedness*” on page 187. Our Company proposes to utilize an aggregate amount of upto ₹270.00 Lakh from the Net Proceeds towards repayment and / or prepayment, in part or in full, of certain outstanding loans of our Company. Payment of interest, prepayment penalty or premium, if any, and other related costs may be made by us out of the Net Proceeds. The repayment / prepayment of certain loans by utilizing the Net Proceeds will help reduce our outstanding indebtedness. Further, we believe that it will reduce our debt-servicing costs and improve our debt equity ratio and enable utilization of internal accruals for further investment in our business growth and expansion.

Given the nature of the borrowings and the terms of repayment or pre-payment, the aggregate outstanding amounts under the borrowings may vary from time to time and our Company may, in accordance with the relevant repayment schedule, refinance or avail additional borrowings from the bank. Further, the amounts outstanding under the borrowings as well as the sanctioned limits are dependent on several factors and may vary with the business cycle of our Company with multiple intermediate repayments and enhancement of sanctioned limits.

The selection of borrowings proposed to be prepaid or repaid amongst our borrowing arrangements availed shall be based on various factors, including (i) cost of the borrowing, including applicable interest rates; (ii) any conditions attached to the borrowings restricting our ability to prepay/ repay the borrowings and time taken to fulfil, or obtain waivers/ consents for fulfilment of such conditions; (iii) terms and conditions of such consents and waivers; (iv) provisions of any laws, rules and regulations governing such borrowings; and (v) other commercial

considerations including, among others, the amount of the loan outstanding and the remaining tenor of the loan. The pre-payment or scheduled repayment will help reduce our outstanding indebtedness and finance cost, assist us in maintaining a favourable debt-equity ratio and enable utilisation of our internal accruals for further investment in business growth [and expansion. In addition, it will also enable us to raise further resources in the future to fund potential business development opportunities and plans to grow and expand our business in the future. For further details, see “*Statement of Financial Indebtedness*” on page 187.

The following table provides details of certain borrowings availed by our Company as on June 30, 2023, which our Company proposes to prepay or repay, fully or partially, from the Net Proceeds:

Name of the lender***	Date of sanction letter/ facility agreement*	Nature of borrowing	Sanctioned amount (in ₹ Lakh)	Outstanding amount as on June 30, 2023 (in ₹ Lakh)	Interest rate (p.a.)	Purpose of raising the loan
ICICI Bank Limited	October 20, 2022	Cash Credit	280.00	261.75	9.50	Business Loan
ICICI Bank Limited	February 24, 2021	MSME Loan	30.00	15.71	9.50	Business Loan

\*\*\* Additionally, our Company may avail additional loan facilities or draw down existing facilities from time to time to meet our business requirements. Accordingly, our Company may utilise the Net Proceeds for repayment/ prepayment of any such refinanced facilities (including any prepayment fees or penalties thereon), any additional facilities obtained by our Company or working capital facilities outstanding at the time of utilisation of Net Proceeds.

\*The Loans was availed by the erstwhile partnership firm “Technogreen Environmental Solutions”, which have been transferred to the Company while conversion into public limited Company.

Note: In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations which requires a certificate from the statutory auditor certifying the utilization of loan for the purposed availed, the Company has obtained the requisite certificate dated July 27, 2023 from our Statutory Auditors, Vishwas & Associates, Chartered Accountants.

For further details in relation to the terms and conditions under the aforesaid loan agreements as well as restrictive covenants in relation thereto, see “*Statement of Financial Indebtedness*” on page 187 of the Draft Prospectus.

## GENERAL CORPORATE PURPOSES

Our Company in accordance with the policies set up by the Company’s Board of Directors, will have the flexibility in applying ₹[●] Lakh i.e. not exceeding 25% of the gross issue proceeds for general corporate purposes including but not restricted towards (1) financing normal capital expenditure (2) brand building exercise (3) strengthening our marketing capabilities (4) meeting any expense of our Company, including wages, rent, administration, insurance, repairs and maintenance, payment of taxes and duties (5) meeting the shortfall in funding any of the above objects and (6) such other requirements of our Company as may be approved by our Company’s Board of Directors.

## DETAILS OF FUNDS DEPLOYED TILL DATE AND SOURCES OF FUNDS DEPLOYED

The funds deployed pursuant to the object of this Issue as certified by the Auditors of our Company, viz. M/s Vishwas & Associates, Chartered Accountants pursuant to their certificate dated July 27, 2023 is given below:

Deployment of Funds	Amount (₹ in Lakh)
Issue related expenses	9.78
<b>TOTAL</b>	<b>9.78</b>



Sources of Funds	Amount (₹ in Lakh)
Internal accruals	9.78
<b>TOTAL</b>	<b>9.78</b>

### ESTIMATED ISSUE RELATED EXPENSES

The total expenses for this Issue are estimated not to exceed ₹[●] Lakh which is [●]% of Issue Size. The details of Issue expenses are tabulated below:

(₹ in Lakh)			
Particulars	Amount	% of Total Issue Expenses	% of Total Issue size
Lead Manager fees	[●]	[●]	[●]
Underwriting & Selling commissions fees	[●]	[●]	[●]
Brokerage, selling commission and other uploading fees	[●]	[●]	[●]
Fees payable to Registrar to the Issue	[●]	[●]	[●]
Fees to the legal advisor, audit / chartered accountant fees	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Fees payable to regulators including stock exchange	[●]	[●]	[●]
Printing and distribution expenses	[●]	[●]	[●]
Others, if any (market making, depositories, marketing fees, secretarial, etc.)	[●]	[●]	[●]
<b>TOTAL EXPENSES</b>	[●]	[●]	[●]

**ASBA Bankers:** The SCSBs will be entitled to selling commission of [●] % (plus GST) of the amount allotted (product of the no. of equity shares allotted and the issue price) for the forms directly procured by them and uploaded on the electronic system of the stock exchange by them on the portion of Retail Individual investor and non-Institutional investor. No other fees/commission shall be payable on the application forms directly procured by them.

The SCSBs would be entitled to processing fees of [●] % (plus GST) of the amount allotted (product of the no. of equity shares allotted and the issue price), for processing the application forms procured by other intermediaries and submitted to SCSBs for processing.

**SYNDICATE ASBA:** Other intermediaries (syndicate/sub-syndicate/registered broker/CRTAs/CDPs or for using 3-in-1 type account i.e. linked online trading, demat and bank account provided by some of the registered brokers) will be entitled to selling commission of ₹10/- (plus GST) per valid application form for the forms directly procured by them and submitted to SCSBs for processing by them on the portion of Retail Individual investor and Non-Institutional investor.

**Issuer banks for UPI Mechanism** as registered with SEBI would be entitled to a processing fee of ₹10/- (plus GST) per valid application form made by the Retail Individual investors using the UPI mechanism for processing. The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars and other applicable laws.

The terminal from which the application has been uploaded will be taken into account in order to determine the total processing fee payable to the relevant registered broker and other intermediaries.

Any expenses incurred towards IPO related expenses will be reimbursed/ recouped out of the gross proceeds of the Issue.

The processing fees for applications made by UPI investors using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular

No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and such payment of processing fees to the SCSBs shall be made in compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

Further, in terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the LM, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

#### **INTERIM USE OF NET PROCEEDS**

Pending utilisation of the Net Proceeds for the purposes described above, our Company will temporarily invest the Net Proceeds in deposits in one or more scheduled commercial banks included in the Second Schedule of Reserve Bank of India Act, 1934, as may be approved by our Board.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

#### **MONITORING OF UTILISATION OF FUNDS**

Proposed size of the Issue is less than ₹10,000.00 Lakh in terms of Regulation 262 of the SEBI ICDR Regulations, appointment of a monitoring agency for the purposes of this Issue is not mandatory and hence no Monitoring Agency is being appointed for this Issue.

Pursuant to Regulation 32 of the Listing Regulations, our Company shall on a half yearly basis disclose to the Audit Committee the uses and application of the Net Proceeds. Until such time as any part of the Net Proceeds remains unutilized, our Company will disclose the utilization of the Net Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Net Proceeds have been utilized so far, and details of amounts out of the Net Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Net Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Net Proceeds in a Fiscal Year, we will utilize such unutilized amount in the next financial year. Further, in accordance with Regulation 32(1)(a) of the Listing Regulations our Company shall furnish to the Stock Exchange on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Net Proceeds for the objects stated in this Draft Prospectus.

#### **VARIATIONS IN OBJECTS**

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Initial Public Offer without being authorized to do so by the Shareholders by way of a special resolution through a postal ballot. Further, pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company shall on half- yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution ("Postal Ballot Notice") shall specify the prescribed details as required under the Companies Act. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Hindi, the vernacular language of the jurisdiction where our Registered Office is situated. Our Promoters will be required to provide an exit opportunity to such shareholders who do not agree to the above stated proposal, at a price as may be prescribed by SEBI, in this regard.

#### **OTHER CONFIRMATIONS**

There are no material existing or anticipated transactions with our Promoters, our Directors, our Company's Key Managerial Personnel, in relation to the utilization of the Net Proceeds except for purchase of property owned by our promoter Ajay Ramakant Ojha. Similarly, except for the consideration being paid for the purchase of property owned by our promoter, no part of the Net Proceeds will be paid by us as consideration to our Promoters, our directors or Key Managerial Personnel, except in the normal course of business and in compliance with the applicable laws.

## BASIS FOR ISSUE PRICE

The Issue Price will be determined by our Company and in consultation with the LM on the basis of an assessment of market demand for the Equity Shares offered through the fixed price method and on the basis of the qualitative and quantitative factors as described below. The face value of the Equity Shares of our Company is ₹10/- each and the Issue Price is [●] times of the face value.

Investors should read the following basis with the section titled “Risk Factors” and sections titled “Restated Financial Statements”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Our Business” beginning on page 23, 150, 179 and 104 respectively, of this Draft Prospectus to get a more informed view before making any investment decisions. The trading price of the Equity Shares of our Company could decline due to these risk factors and you may lose all or part of your investments.

### **QUALITATIVE FACTORS**

Some of the qualitative factors and our strengths, which form the basis for the Issue Price, are:

1. Established and proven track record;
2. Leveraging the experience of our Promoters;
3. Cordial relations with our customers;
4. Focus on consistently meeting quality standards
5. Increase Brand Awareness
6. Strategic Alliance Opportunities

For further details, see “Risk Factors” and “Our Business” beginning on pages 23 and 104, respectively.

### **QUANTITATIVE FACTORS**

The information presented in this section is derived from company’s Restated Financial Statements for the financial years ended on March 31, 2023, 2022 and 2021 prepared in accordance with Indian GAAP. For more details on financial information, investors please refer the section titled “Restated Financial Statements” beginning on page 150 of this Draft Prospectus.

Investors should evaluate our Company taking into consideration its niche business segment and other qualitative factors in addition to the quantitative factors. Some of the quantitative factors which may form the basis for computing the price are as follows:

#### **A. Basic and Diluted Earnings per Equity Share (EPS)**

##### **As per Restated Financial Statements**

Period	Basic and Diluted EPS (in ₹)	Weight
March 31, 2021	0.73	1
March 31, 2022	2.12	2
March 31, 2023	8.86	3
<b>Weighted Average</b>	<b>5.26</b>	

\*Notes:

Note:

- i. The earnings per share has been calculated by dividing the net profit as restated, attributable to equity shareholders by restated weighted average number of Equity Shares outstanding during the Financial Year 2023. Restated weighted average number of equity shares has been computed as per AS 20. The face value of each Equity Share is ₹10.00.
- ii. The figures disclosed above are based on the Weighted Average Number of shares as derived in the Restated Financial Statements of the Company. For details, please refer to Restated Statement of Mandatory Accounting Ratios
- iii. The face value of each Equity Share is ₹ 10.00.

- iv. Earnings per Share has been calculated in accordance with Accounting Standard 20 – “Earnings per Share” issued by the Institute of Chartered Accountants of India.
- v. The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure IV.
- vi. Basic Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders / Weighted average number of equity shares outstanding Financial Year 2023
- vii. There are no dilutive shares outstanding at the end of the Fiscal year ending March 31, 2021, March 31, 2022 and March 31, 2023.

**B. Price/Earning (“P/E”) Ratio in relation to the Issue Price of ₹ [●] per Equity Share of ₹10/- each fully paid up:**

Particulars	P/E (no.of times)
P/E ratio based on the Basic & Diluted EPS, as restated for FY 2023	[●]
P/E ratio based on the Weighted Average Basic & Diluted EPS	[●]

Note:

- i. The P/E ratio has been computed by dividing Offer Price with EPS.

**C. Return on Net Worth (“RoNW”) as per Restated Financial Statements**

Period	RONW (%)	Weight
March 31, 2021	12.54	1
March 31, 2022	30.40	2
March 31, 2023	71.24	3
<b>Weighted Average</b>	<b>47.84</b>	

Note: The RONW has been computed by dividing net profit after tax (as restated), by Net worth (as restated) as at the end of the year.

**D. Net Asset Value (NAV) per Equity Share**

As per Restated Financial Statements

Sr. No.	Particulars	NAV (₹)
a)	As on March 31, 2021	5.82
b)	As on March 31, 2022	6.98
c)	As on March 31, 2023	12.43
	<b>Net Asset Value per Equity Share after the Issue at Issue Price</b>	[●]
	<b>Issue Price*</b>	[●]

Notes:

1. NAV has been calculated as Net worth divided by number of Equity Shares at the end of Financial Year 2023.
2. Net asset value per equity share = net worth attributable to the owners of the parent as at the end of the year/period divided by adjusted number of equity shares outstanding as at the end of Financial Year 2023.
3. Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of statement of profit and loss, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, non-controlling interest and adjustments on account of conversion of partnership firm into Company, as per the Restated Financial Information, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

For further details, see “Other Financial Information” on page 178.

**E. Comparison with Listed Industry Peer:**

Our Company does not have any listed peer group operating in the same line of business.

The Company in consultation with the Lead Manager and after considering various valuation fundamentals including Book Value and other relevant factors believes that the issue price of ₹[●] per equity share for the Public Issue is justified in view of the above parameters. The investors may also want to peruse the “**Risk Factors**” beginning on page 23 of this draft prospectus and Financials of the company as set out in the “**Restated Financial Statements**” beginning on page 150 of this Draft Prospectus to have more informed view about the investment proposition. The Face Value of the Equity Shares is ₹10/- per share and the Issue Price is [●] times of the face value i.e. ₹[●] per share.

**F. Key Performance Indicators of our Company:**

There are no reportable Key Performance Indicators (KPIs) of the Company which are getting used to track the performance of the Company and disclosed in this Draft Prospectus apart from the Financial Statements.

**G. Weighted average cost of acquisition**

***The price per share of our Company based on the primary/ new issue of shares (equity/ convertible securities)***

Except as disclosed below, our Company has not issued any Equity Shares or convertible securities issued (excluding Equity Shares issued under any employee stock option plan/scheme and issuance of bonus shares), during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days (“Primary Issue”):

Sr. No.	Date of Allotment	Nature of Allotment	Price Per Share	% of Pre Issue Capital
1	July 07, 2023	Private Placement	73.00	6.72%

***The price per share of our Company based on secondary sale/ acquisitions of shares (equity/ convertible securities)***

Except as disclosed below, no Equity Shares or convertible securities have been transacted (excluding by way of gifts) by the Promoters, members of the Promoter Group, Selling Shareholders, or Shareholder(s) having the right to nominate director(s) on our Board, during the 18 months preceding the date of this Draft Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transactions and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days (“Secondary Transaction”):

Sr. No.	Date of Transfer	Nature of Transaction	Transaction by	No. of Shares	Price Per Share	% of Pre Issue Capital
1	July 14, 2023	Transfer of Shares	Ajay Ramakant Ojha	1,27,407	18.00	2.34
2	July 14, 2023	Transfer of Shares	Prasad Rangrao Pawar	1,27,406	18.00	2.34

**Weighted average cost of acquisition, issue price**

Type of Transaction	WACA (INR)	Issue Price
Weighted average cost of acquisition for last 18 months for primary/new issue of shares (equity/convertible securities) (excluding Equity Shares issued under any employee stock option plan/scheme and issuance of bonus shares), during the 18 months preceding the date of this certificate, where such issuance is equal to or more than five per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days	13.97	[●]
Weighted average cost of acquisition for last 18 months for secondary sale/acquisition of shares (equity/convertible securities), where our Promoters, members of the Promoter Group, Selling Shareholders or Shareholder(s) having the right to nominate director(s) in our Board are a party to the transaction (excluding gifts), during the 18 months preceding the date of this certificate, where either acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days	NA	[●]

## **STATEMENT OF SPECIAL TAX BENEFITS**

**To**  
**The Board of Directors**  
**TECHKNOWGREEN SOLUTIONS LIMITED**  
Flat-202, Hem Opal Apartment,  
Plot No. 26, Ekta Park Society,  
Wakdewadi Pune-411003, Maharashtra

Dear Sir/ Madam,

**Ref: Proposed initial public offering of equity shares of face value of ₹10 each (the “Equity Shares”) of TECHKNOWGREEN SOLUTIONS LIMITED (the “Company”/ “the “Issuer”) comprising a fresh issue of the Equity Shares by the Company (the “Fresh Issue” / “Offer”)**

**Sub: Statement of Special Tax Benefits (“The Statement”) available to TECHKNOWGREEN SOLUTIONS LIMITED (“The Company”) and its shareholders under the Direct and Indirect Tax Laws in India**

We hereby report that the enclosed annexure prepared by the management of **TECHKNOWGREEN SOLUTIONS LIMITED**, states the special tax benefits available to the Company and the shareholders of the Company under the Income-Tax Act, 1961, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (collectively the “GST Act”) presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and do not cover any general tax benefits available to the Company. Further, the preparation of enclosed statement and the contents stated therein is the responsibility of the Company’s management. We are informed that, this Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of Equity shares (“the Issue”) by the Company.

We do not express any opinion or provide any assurance as to whether:

- a) The Company or its shareholders will continue to obtain these benefits in future; or
- b) The conditions prescribed for availing the benefits have been/would be met.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

Our views are based on facts and assumptions indicated to us and the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retrospective, could have an effect on the validity of our views stated herein.

We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein. This report including enclosed annexure are intended solely for your information and for the inclusion in the Draft Prospectus/ Prospectus or any other issue related material in connection with the proposed initial public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

**For Vishwas & Associates**  
**Chartered Accountants**  
**Firm's Registration No.: 0143500W**

**Vishwas Kalal**  
**Proprietor**  
**Membership No.: 174542**  
**UDIN: 23174542BGWDEZ6358**

Place: Mumbai  
Date : 27/07/2023



## **ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS**

*The information provided below sets out the special tax benefits available to the Company and the Equity Shareholders under the Income Tax Act, 1961 presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.*

### **A. SPECIAL DIRECT AND INDIRECT TAX BENEFITS TO THE COMPANY**

The Company is not entitled to any special tax benefits under the Income Tax Act, 1961 and GST Act.

### **B. SPECIAL DIRECT AND INDIRECT TAX BENEFITS TO THE SHAREHOLDERS**

The Shareholders of the Company are not entitled to any special tax benefits under the Income Tax Act, 1961 and GST Act.

### **Notes:**

1. For the purpose of reporting here, we have not considered the general tax benefits available to the company or shareholders.
2. The above statement covers only certain relevant direct tax law benefits and indirect tax law benefits or benefit.
3. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

## **SECTION VIII: ABOUT THE COMPANY**

### **INDUSTRY OVERVIEW**

*The information in this section has been extracted from the websites of and publicly available documents from various sources. The data may have been re-classified by us for the purpose of presentation. Neither we nor any other person connected with this Issue has independently verified the information provided in this section. Industry sources and publications, referred to in this section, generally state that the information contained therein has been obtained from sources generally believed to be reliable but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured, and, accordingly, investment decisions should not be based on such information.*

#### **GLOBAL ECONOMIC OVERVIEW**

##### **Inflation Peaking amid Low Growth**

- Global growth is projected to fall from an estimated 3.4 percent in 2022 to 2.9 percent in 2023, then rise to 3.1 percent in 2024. The forecast for 2023 is 0.2 percentage point higher than predicted in the October 2022 World Economic Outlook (WEO) but below the historical (2000–19) average of 3.8 percent. The rise in central bank rates to fight inflation and Russia’s war in Ukraine continue to weigh on economic activity. The rapid spread of COVID-19 in China dampened growth in 2022, but the recent reopening has paved the way for a faster-than-expected recovery. Global inflation is expected to fall from 8.8 percent in 2022 to 6.6 percent in 2023 and 4.3 percent in 2024, still above pre-pandemic (2017–19) levels of about 3.5 percent.
- The balance of risks remains tilted to the downside, but adverse risks have moderated since the October 2022 WEO. On the upside, a stronger boost from pent-up demand in numerous economies or a faster fall in inflation are plausible. On the downside, severe health outcomes in China could hold back the recovery, Russia’s war in Ukraine could escalate, and tighter global financing conditions could worsen debt distress. Financial markets could also suddenly reprice in response to adverse inflation news, while further geopolitical fragmentation could hamper economic progress.
- In most economies, amid the cost-of-living crisis, the priority remains achieving sustained disinflation. With tighter monetary conditions and lower growth potentially affecting financial and debt stability, it is necessary to deploy macroprudential tools and strengthen debt restructuring frameworks. Accelerating COVID-19 vaccinations in China would safeguard the recovery, with positive cross-border spill overs. Fiscal support should be better targeted at those most affected by elevated food and energy prices, and broad-based fiscal relief measures should be withdrawn. Stronger multilateral cooperation is essential to preserve the gains from the rules-based multilateral system and to mitigate climate change by limiting emissions and raising green investment.

##### **Forces shaping the outlook**

The global fight against inflation, Russia’s war in Ukraine, and a resurgence of COVID-19 in China weighed on global economic activity in 2022, and the first two factors will continue to do so in 2023.

Despite these headwinds, real GDP was surprisingly strong in the third quarter of 2022 in numerous economies, including the United States, the euro area, and major emerging market and developing economies. The sources of these surprises were in many cases domestic: stronger-than-expected private consumption and investment amid tight labor markets and greater-than-anticipated fiscal support. Households spent more to satisfy pent-up demand, particularly on services, partly by drawing down their stock of savings as economies reopened. Business investment rose to meet demand. On the supply side, easing bottlenecks and declining transportation costs reduced pressures on input prices and allowed for a rebound in previously constrained sectors, such as motor vehicles. Energy markets have adjusted faster than expected to the shock from Russia’s invasion of Ukraine.

In the fourth quarter of 2022, however, this uptick is estimated to have faded in most—though not all—major economies. US growth remains stronger than expected, with consumers continuing to spend from their stock of savings (the personal saving rate is at its lowest in more than 60 years, except for July 2005), unemployment near

historic lows, and plentiful job opportunities. But elsewhere, high-frequency activity indicators (such as business and consumer sentiment, purchasing manager surveys, and mobility indicators) generally point to a slowdown.

COVID-19 deepens China's slowdown - Economic activity in China slowed in the fourth quarter amid multiple large COVID-19 outbreaks in Beijing and other densely populated localities. Renewed lockdowns accompanied the outbreaks until the relaxation of COVID-19 restrictions in November and December, which paved the way for a full reopening. Real estate investment continued to contract, and developer restructuring is proceeding slowly, amid the lingering property market crisis. Developers have yet to deliver on a large backlog of presold housing, and downward pressure is building on house prices (so far limited by home price floors). The authorities have responded with additional monetary and fiscal policy easing, new vaccination targets for the elderly, and steps to support the completion of unfinished real estate projects. However, consumer and business sentiment remained subdued in late 2022. China's slowdown has reduced global trade growth and international commodity prices.

Monetary policy starts to bite - Signs are apparent that monetary policy tightening is starting to cool demand and inflation, but the full impact is unlikely to be realized before 2024. Global headline inflation appears to have peaked in the third quarter of 2022 (Figure 1). Prices of fuel and nonfuel commodities have declined, lowering headline inflation, notably in the United States, the euro area, and Latin America. But underlying (core) inflation has not yet peaked in most economies and remains well above pre-pandemic levels. It has persisted amid second-round effects from earlier cost shocks and tight labor markets with robust wage growth as consumer demand has remained resilient. Medium-term inflation expectations generally remain anchored, but some gauges are up. These developments have caused central banks to raise rates faster than expected, especially in the United States and the euro area, and to signal that rates will stay elevated for longer. Core inflation is declining in some economies that have completed their tightening cycle—such as Brazil. Financial markets are displaying high sensitivity to inflation news, with equity markets rising following recent releases of lower inflation data in anticipation of interest rate cuts (Box 1), despite central banks' communicating their resolve to tighten policy further. With the peak in US headline inflation and an acceleration in rate hikes by several non-US central banks, the dollar has weakened since September but remains significantly stronger than a year ago.

Winter comes to Europe - European economic growth in 2022 was more resilient than expected in the face of the large negative terms-of-trade shock from the war in Ukraine. This resilience—which is visible in consumption and investment data for the third quarter—partly reflects government support of about 1.2 percent of European Union GDP (net budgetary cost) to households and firms hit by the energy crisis, as well as dynamism from economies reopening. Gas prices have declined by more than expected amid higher non-Russian pipeline and liquefied natural gas flows, compression of demand for gas, and a warmer-than-usual winter. However, the boost from reopening appears to be fading. High-frequency indicators for the fourth quarter suggest that the manufacturing and services sectors are contracting. Consumer confidence and business sentiment have worsened. With inflation at about 10 percent or above in several euro area countries and the United Kingdom, household budgets remain stretched. The accelerated pace of rate increases by the Bank of England and the European Central Bank is tightening financial conditions and cooling demand in the housing sector and beyond.

## **The Forecast**

### Growth Bottoming Out

Global growth, estimated at 3.4 percent in 2022, is projected to fall to 2.9 percent in 2023 before rising to 3.1 percent in 2024 (Table 1). Compared with the October forecast, the estimate for 2022 and the forecast for 2023 are both higher by about 0.2 percentage point, reflecting positive surprises and greater-than-expected resilience in numerous economies. Negative growth in global GDP or global GDP per capita—which often happens when there is a global recession—is not expected. Nevertheless, global growth projected for 2023 and 2024 is below the historical (2000–19) annual average of 3.8 percent. The forecast of low growth in 2023 reflects the rise in central bank rates to fight inflation—especially in advanced economies—as well as the war in Ukraine. The decline in growth in 2023 from 2022 is driven by advanced economies; in emerging market and developing economies, growth is estimated to have bottomed out in 2022. Growth is expected to pick up in China with the full reopening in 2023. The expected pickup in 2024 in both groups of economies reflects gradual recovery from the effects of the war in Ukraine and subsiding inflation. Following the path of global demand, world trade growth is expected to decline in 2023 to 2.4 percent, despite an easing of supply bottlenecks, before rising to 3.4 percent in 2024. These forecasts are based on a number of assumptions, including on fuel and nonfuel commodity prices, which

have generally been revised down since October, and on interest rates, which have been revised up. In 2023, oil prices are projected to fall by about 16 percent, while nonfuel commodity prices are expected to fall by, on average, 6.3 percent. Global interest rate assumptions are revised up, reflecting intensified actual and signalled policy tightening by major central banks since October.

### Inflation Peaking

About 84 percent of countries are expected to have lower headline (consumer price index) inflation in 2023 than in 2022. Global inflation is set to fall from 8.8 percent in 2022 (annual average) to 6.6 percent in 2023 and 4.3 percent in 2024—above pre-pandemic (2017–19) levels of about 3.5 percent. The projected disinflation partly reflects declining international fuel and nonfuel commodity prices due to weaker global demand. It also reflects the cooling effects of monetary policy tightening on underlying (core) inflation, which globally is expected to decline from 6.9 percent in the fourth quarter of 2022 (year over year) to 4.5 percent by the fourth quarter of 2023. Still, disinflation will take time: by 2024, projected annual average headline and core inflation will, respectively, still be above pre-pandemic levels in 82 percent and 86 percent of economies.

In advanced economies, annual average inflation is projected to decline from 7.3 percent in 2022 to 4.6 percent in 2023 and 2.6 percent in 2024—above target in several cases. In emerging market and developing economies, projected annual inflation declines from 9.9 percent in 2022 to 8.1 percent in 2023 and 5.5 percent in 2024, above the 4.9 percent pre-pandemic (2017–19) average. In low-income developing countries, inflation is projected to moderate from 14.2 percent in 2022 to 8.6 percent in 2024—still high, but close to the pre-pandemic average.

### **Policy Priorities**

Securing global disinflation: For most economies, the priority remains achieving a sustained reduction in inflation toward target levels. Raising real policy rates and keeping them above their neutral levels until underlying inflation is clearly declining would ward off risks of inflation expectations de-anchoring. Clear central bank communication and appropriate reactions to shifts in the data will help keep inflation expectations anchored and lessen wage and price pressures. Central banks' balance sheets will need to be unwound carefully, amid market liquidity risks. Gradual and steady fiscal tightening would contribute to cooling demand and limit the burden on monetary policy in the fight against inflation. In countries where output remains below potential and inflation is in check, maintaining monetary and fiscal accommodation may be appropriate.

Containing the re-emergence of COVID-19: Addressing the ongoing pandemic requires coordinated efforts to boost vaccination and medicine access in countries where coverage remains low as well as the deployment of pandemic preparedness measures—including a global push toward sequencing and sharing data. In China, focusing vaccination efforts on vulnerable groups and maintaining sufficiently high coverage of boosters and antiviral medicines would minimize the risks of severe health outcomes and safeguard the recovery, with favorable cross-border spill overs.

Ensuring financial stability: Depending on country circumstances, macroprudential tools can be used to tackle pockets of elevated financial sector vulnerabilities. Monitoring housing sector developments and conducting stress tests in economies where house prices have increased significantly over the past few years are warranted. In China, central government action to resolve the property crisis and reduce the risk of spillovers to financial stability and growth is a priority, including by strengthening temporary mechanisms to protect presale homebuyers from the risk of non-delivery and by restructuring troubled developers. Globally, financial sector regulations introduced after the global financial crisis have contributed to the resilience of banking sectors throughout the pandemic, but there is a need to address data and supervisory gaps in the less-regulated nonbank financial sector, where risks may have built up inconspicuously. Recent turmoil in the crypto space also highlights the urgent need to introduce common standards and reinforce oversight of crypto assets.

Restoring debt sustainability: Lower growth and higher borrowing costs have raised public debt ratios in several economies. Where debt is unsustainable, implementing restructuring or reprofiling early on as part of a package of reforms (including fiscal consolidation and growth-enhancing supply-side reforms) can avert the need for more disruptive adjustment later. Supporting the vulnerable: The surge in global energy and food prices triggered a cost-of-living crisis. Governments acted swiftly with support to households and firms, which helped cushion effects on growth and at times limited the pass-through from energy prices to headline inflation through price controls. The temporary and broad-based measures are becoming increasingly costly and should be withdrawn

and replaced by targeted approaches. Preserving the energy price signal will encourage a reduction in energy consumption and limit the risks of shortages. Targeting can be achieved through social safety nets such as cash transfers to eligible households based on income or demographics or by transfers through electricity companies based on past energy consumption. Subsidies should be temporary and offset by revenue-generating measures, including one-time solidarity taxes on high income households and companies, where appropriate.

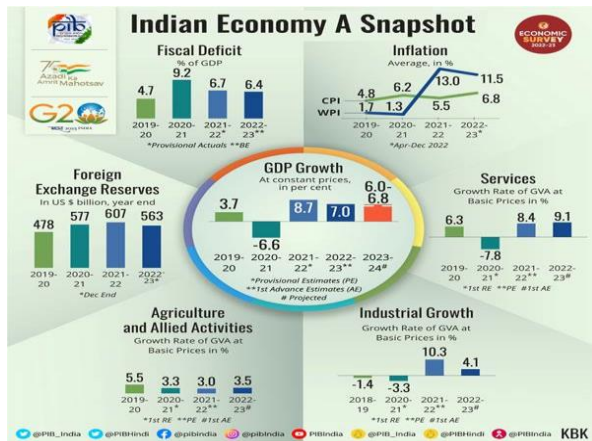
Reinforcing supply: Supply-side policies could address the key structural factors impeding growth— including market power, rent seeking, rigid regulation and planning, and inefficient education—and could help build resilience, reduce bottlenecks, and alleviate price pressures. A concerted push for investment along the supply chain of green energy technologies would bolster energy security and help advance progress on the green transition.

Strengthening multilateral cooperation—Urgent action is needed to limit the risks stemming from geopolitical fragmentation and to ensure cooperation on fundamental areas of common interest:

- **Restraining the pandemic:** Global coordination is needed to resolve bottlenecks in the global distribution of vaccines and treatments. Public support for the development of new vaccine technologies and the design of systematic responses to future epidemics also remains essential.
- **Addressing debt distress:** Progress has been made for countries that requested debt treatment under the Group of Twenty’s Common Framework initiative, and more will be needed to strengthen it. It is also necessary to agree on mechanisms to resolve debt in a broader set of economies, including middle-income countries that are not eligible under the Common Framework. Non- Paris Club and private creditors have a crucial role to play in ensuring coordinated, effective, and timely debt resolution processes.
- **Strengthening global trade:** Strengthening the global trading system would address risks associated with trade fragmentation. This can be achieved by rolling back restrictions on food exports and other essential items such as medicine, upgrading World Trade Organization (WTO) rules in critical areas such as agricultural and industrial subsidies, concluding and implementing new WTO-based agreements, and fully restoring the WTO dispute settlement system.
- **Using the global financial safety net:** With the cascading of shocks to the global economy, using the global financial safety net to its fullest extent is appropriate, including by proactively utilizing the IMF’s precautionary financial arrangements and channelling aid from the international community to low-income countries facing shocks.
- **Speeding the green transition:** To meet governments’ climate change goals, it is necessary to swiftly implement credible mitigation policies. International coordination on carbon pricing or equivalent policies would facilitate faster decarbonization. Global cooperation is needed to build resilience to climate shocks, including through aid to vulnerable countries.

*(Source: International Monetary Fund | January 2023)*

## **INDIAN ECONOMIC OVERVIEW**



In general, global economic shocks in the past were severe but spaced out in time. This changed in the third decade of this millennium. At least three shocks have hit the global economy since 2020. It all started with the pandemic-induced contraction of the global output, followed by the Russian-Ukraine conflict leading to a worldwide surge in inflation. Then, the central banks across economies led by the Federal Reserve responded with synchronised policy rate hikes to curb inflation. The rate hike by the US Fed drove capital into the US markets causing the US Dollar to appreciate against most currencies. This led to the widening of the Current Account Deficits (CAD) and increased inflationary pressures in net importing economies. The rate hike and persistent inflation also led to a lowering of the global

growth forecasts for 2022 and 2023 by the IMF in its October 2022 update of the World Economic Outlook. The frailties of the Chinese economy further contributed to weakening the growth forecasts. Slowing global growth apart from monetary tightening may also lead to a financial contagion emanating from the advanced economies where the debt of the non-financial sector has risen the most since the global financial crisis. With inflation persisting in the advanced economies and the central banks hinting at further rate hikes, downside risks to the global economic outlook appear elevated.

The Indian economy, however, appears to have moved on after its encounter with the pandemic, staging a full recovery in FY22 ahead of many nations and positioning itself to ascend to the pre-pandemic growth path in FY23. Yet in the current year, India has also faced the challenge of reining in inflation that the European strife accentuated. Measures taken by the government and RBI, along with the easing of global commodity prices, have finally managed to bring retail inflation below the RBI upper tolerance target in November 2022. However, the challenge of the depreciating rupee, although better performing than most other currencies, persists with the likelihood of further increases in policy rates by the US Fed. The widening of the CAD may also continue as global commodity prices remain elevated and the growth momentum of the Indian economy remains strong. The loss of export stimulus is further possible as the slowing world growth and trade shrinks the global market size in the second half of the current year.

Despite these, agencies worldwide continue to project India as the fastest-growing major economy at 6.5-7.0 per cent in FY23. These optimistic growth forecasts stem in part from the resilience of the Indian economy seen in the rebound of private consumption seamlessly replacing the export stimuli as the leading driver of growth. The uptick in private consumption has also given a boost to production activity resulting in an increase in capacity utilisation across sectors. The rebound in consumption was engineered by the near-universal vaccination coverage overseen by the government that brought people back to the streets to spend on contact-based services, such as restaurants, hotels, shopping malls, and cinemas, among others. The world's second-largest vaccination drive involving more than 2 billion doses also served to lift consumer sentiments that may prolong the rebound in consumption. Vaccinations have facilitated the return of migrant workers to cities to work in construction sites as the rebound in consumption spilled over into the housing market. This is evident in the housing market witnessing a significant decline in inventory overhang to 33 months in Q3 of FY23 from 42 months last year.

The Capital Expenditure (Capex) of the central government, which increased by 63.4 per cent in the first eight months of FY23, was another growth driver of the Indian economy in the current year, crowding in the private Capex since the January-March quarter of 2022. On current trend, it appears that the full year's capital expenditure budget will be met. A sustained increase in private Capex is also imminent with the strengthening of the balance sheets of the Corporates and the consequent increase in credit financing it has been able to generate. A much-improved financial health of well-capitalised public sector banks has positioned them better to increase the credit supply. Consequently, the credit growth to the Micro, Small, and Medium Enterprises (MSME) sector has been remarkably high, over 30.6 per cent, on average during Jan-Nov 2022, supported by the extended Emergency Credit Linked Guarantee Scheme (ECLGS) of the Union government. The increase in the overall bank credit has also been influenced by the shift in borrower's funding choices from volatile bond markets, where yields have increased, and external commercial borrowings, where interest and hedging costs have increased, towards banks. If inflation declines in FY24 and if real cost of credit does not rise, then credit growth is likely to be brisk in FY24.

India's economic growth in FY23 has been principally led by private consumption and capital formation. It has helped generate employment as seen in the declining urban unemployment rate and in the faster net registration in Employee Provident Fund. Still, private capex soon needs to take up the leadership role to put job creation on a fast track. Recovery of MSMEs is proceeding apace, as is evident in the amounts of Goods and Services Tax (GST) they pay, while the Emergency Credit Linked Guarantee Scheme (ECLGS) is easing their debt servicing concerns. The Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) has been directly providing jobs in rural areas and indirectly creating opportunities for rural households to diversify their sources of income generation. Schemes like PM-Kisan and PM Garib Kalyan Yojana have helped in ensuring food security in the country, and their impact was also endorsed by the United Nations Development Programme (UNDP)<sup>1</sup>. The results of the National Family Health Survey (NFHS) also show improvement in rural welfare indicators from FY16 to FY20, covering aspects like gender, fertility rate, household amenities, and women empowerment.

Global growth has been projected to decline in 2023 and is expected to remain generally subdued in the following years as well. The slowing demand will likely push down global commodity prices and improve India's CAD in FY24. However, a downside risk to the Current Account Balance stems from a swift recovery driven mainly by domestic demand and, to a lesser extent, by exports. The CAD needs to be closely monitored as the growth momentum of the current year spills over into the next. Growth is expected to be brisk in FY24 as a vigorous credit disbursement, and capital investment cycle is expected to unfold in India with the strengthening of the balance sheets of the corporate and banking sectors. Further support to economic growth will come from the expansion of public digital platforms and path-breaking measures such as PM Gati Shakti, the National Logistics Policy, and the Production-Linked Incentive schemes to boost manufacturing output.

### **SUMMARY OF THE ECONOMIC SURVEY 2022-23**

- Recovering from pandemic-induced contraction, the Russian-Ukraine conflict and inflation, the Indian economy is staging a broad-based recovery across sectors, positioning itself to ascend to the pre-pandemic growth path in FY23.
- India's GDP growth is expected to remain robust in FY24. GDP forecast for FY24 to be in the range of 6-6.8%.
- Private consumption in H1 is the highest since FY15 and this has led to a boost to production activity resulting in enhanced capacity utilization across sectors.
- The Capital Expenditure of the Central Government and crowding in the private Capex led by the strengthening of the balance sheets of the Corporates is one of the growth drivers of the Indian economy in the current year.
- The credit growth to the MSME sector was over 30.6% on average during Jan-Nov 2022.
- Retail inflation is back within 'BI's target range in November 2022.
- Indian Rupee performed well compared to other Emerging Market Economies in Apr-Dec 2022.
- Direct Tax collections for the period April-November 2022 remain buoyant.
- Enhanced Employment generation seen in the declining urban unemployment rate and in the faster net registration in Employee Provident Fund.
- Economic growth to be boosted by the expansion of public digital platforms and measures to boost manufacturing output.

### **INDIA'S MEDIUM-TERM GROWTH OUTLOOK**

- Indian economy underwent wide-ranging structural and governance reforms that strengthened the economy's fundamentals by enhancing its overall efficiency during 2014-2022.

- With an underlying emphasis on improving the ease of living and doing business, the reforms after 2014 were based on the broad principles of creating public goods, adopting trust-based governance, co-partnering with the private sector for development, and improving agricultural productivity.
- The period of 2014-2022 also witnessed balance sheet stress caused by the credit boom in the previous years and one-off global shocks, that adversely impacted the key macroeconomic variables such as credit growth, capital formation, and hence economic growth during this period.
- This situation is analogous to the period 1998-2002 when transformative reforms undertaken by the government had lagged growth returns due to temporary shocks in the economy. Once these shocks faded, the structural reforms paid growth dividends from 2003.
- Similarly, the Indian economy is well placed to grow faster in the coming decade once the global shocks of the pandemic and the spike in commodity prices in 2022 fade away.
- With improved and healthier balance sheets of the banking, non-banking and corporate sectors, a fresh credit cycle has already begun, evident from the double-digit growth in bank credit over the past months.
- The Indian economy has also started benefiting from the efficiency gains resulting from greater formalisation, higher financial inclusion, and economic opportunities created by digital technology-based economic reforms.
- India's growth outlook seems better than in the pre-pandemic years and the Indian economy is prepared to grow at its potential in the medium term.

## **DIGITAL INFRASTRUCTURE**

### India's Digital Public Infrastructure

#### Unified Payment Interface (UPI)

- UPI-based transactions grew in value (121%) and volume (115%) terms, between 2019-22, paving the way for its international adoption.

#### Telephone and Rad-o - For Digital Empowerment

- Total telephone subscriber base in India stands at 117.8 crores (as of Sept 22), with 44.3% of subscribers in rural India.
- More than 98% of the total telephone subscribers are connected wirelessly.
- The overall tele density in India stood at 84.8% in March 2022.
- 200% increase in rural internet subscriptions between 2015 and 2021.
- Prasar Bharati (India's autonomous public service broadcast-) - broadcasts in 23 languages, and 179 dialects from 479 stations. Reaches 92% of the area and 99.1% of the total population.

#### Digital Public Goods

- Achieved low-cost accessibility since the launch of Aadhaar in 2009.
- Under the government schemes, MyScheme, TrEDS, GEM, e-NAM, and UMANG have transformed the marketplace and have enabled citizens to access services across sectors
- Under Account Aggregator, the consent-based data-sharing framework is currently live across over 110 crore bank accounts.
- Open Credit Enablement Network aims towards democratising lending operations while allowing end-to-end digital loan applications.
- National AI portal has published 1520 articles, 262 videos, and 120 government initiatives and is being viewed as a tool for overcoming the language barrier e.g. 'Bhashini'.
- Legislations are being introduced for enhanced user privacy and creating an ecosystem for standard, open, and interoperable protocols underlining robust data governance.

*(Source: INDIA ECONOMIC SURVEY 20-2 - 2023)*



## ENVIRONMENTAL CONSULTING

### A. What is “Environmental” aspect in ESG

ESG stands for Environmental, Social, and Governance, and it is the disclosure of environmental, social, and governance data, which increases stakeholder transparency in order to reduce risks and identify opportunities. ESG covers a spectrum of business aspects that financial analyses might not traditionally consider, yet often do have financial relevance for businesses. A failure to measure ESG exposures could result in significant financial losses.

The ESG acronym was coined in the mid-2000s in a report facilitated by impact investing expert Ivo Knoepfel, titled “Who Cares Wins.” In it, Knoepfel argued that ESG factors in financial analysis should be accounted for in capital markets since they help identify risks, impact the evaluation of a business, and lead to positive social change.

The report came after former UN Secretary-General Kofi Annan invited over 50 CEOs to participate in a joint initiative under the UN Global Compact, with the support of the International Finance Corporations (IFC) and the Swiss Government, to find ways for the financial industry to incorporate environmental, social, and governance into capital markets. The goal was to quantify social impact, paving the way for responsible investing.

**Environmental:** The environmental aspect of ESG examines how a business or organization operates as a steward of our natural environment, focusing on all aspects of sustainability, including waste and pollution, resource depletion, greenhouse gas emissions, deforestation, climate change, and more.

Businesses have come to recognize that unless they act responsibly as members of the global community, they will only worsen the effects of climate change, putting not only our planet but also their ability to operate at risk. Instead of viewing environmental harm as an inevitable consequence of business operations, more and more businesses are recognizing that now is the time to be part of the solution.

<https://www.globalcitizen.org/en/content/environmental-social-governance-what-is-esg/>

### B. Why is the “E” (environmental) theme important and what are the key trends for 2023.

Despite 30 years of global climate advocacy and diplomacy, the international system has struggled to make the required progress on climate change. The potential failure to address this existential global risk first entered the top rankings of the Global Risks Report over a decade ago, in 2011. Today, atmospheric levels of carbon dioxide, methane and nitrous oxide have all reached record highs. Emission trajectories make it very unlikely that global ambitions to limit warming to 1.5°C will be achieved. A Failure to mitigate climate change is ranked as one of the most severe threats in the short term but is the global risk we are seen to be the least prepared for, with 70% of GRPS respondents rating existing measures to prevent or prepare for climate change as “ineffective” or “highly ineffective”

According to the Intergovernmental Panel on Climate Change (IPCC), the chance of breaching the 1.5°C target by as early as 2030 stands at 50%. Current commitments made by the G7 private sector suggest an increase of 2.7°C by mid-century, way above the goals outlined in the Paris Agreement.

Recent events have exposed a divergence between what is scientifically necessary and what is politically expedient. Current pressures should result in a turning point, encouraging energy-importing countries to invest in “secure”, cleaner and cheaper renewable energy sources. Yet geopolitical tensions and economic pressures have already limited – and in some cases reversed – progress on climate change mitigation, at least over the short term. For example, the EU spent at least EUR50 billion on new and expanded fossil-fuel infrastructure and supplies, and some countries restarted coal power stations. Despite some longer-term government action on the energy transition, such as the USA’s Inflation Reduction Act and the EU’s REPowerEU plan, overall momentum for climate mitigation is unlikely to rapidly accelerate in the next two years. Negotiations at the Conference of the Parties of the UNFCCC (COP27) failed to reach a much-needed agreement to phase out all fossil fuels, laying bare the difficulty of balancing short-term needs with longer-term ambitions. Policymakers are increasingly confronted by perceived trade-offs between energy security, affordability and sustainability. The stark reality of

600 million people in Africa without access to electricity illustrates the failure to deliver change to those who need it and the continued attraction of quick fossil-fuel powered solutions – despite the risks of stranded assets, energy security challenges of exported fossil fuel commodities and lifetime carbon emissions that exceed the 1.5°C limit.

There is also growing recognition that not only the pace of the transition but also effectiveness and integrity matter: climate litigation is increasing and concerns about emissions under-reporting and greenwashing have triggered calls for new regulatory oversight for the transition to net zero. While some countries have made disclosure mandatory, much of the corporate world have not yet assessed or started to manage their climate risks. In the absence of clearer policy signals and consistent regulation and enforcement, mitigation efforts will be shaped by increasingly disruptive climate activism, raising the likelihood of stranded assets – as well as people. A just transition that supports those set to lose from decarbonization is increasingly invoked by countries heavily dependent on fossil-fuel industries as a reason to slow down efforts. These challenges, against the backdrop of a deteriorating economic landscape and inflated input costs, may postpone investments in greener production methods – particularly in heavier, “dirtier” industries.

All of this implies that the risks of a slower and more disorderly transition have now turned into reality, potentially leading to dire planetary and societal consequences. Any rollback of government and private action will continue to amplify risks to human health and spur the deterioration of natural capital. Climate change will also increasingly become a key migration driver and there are indications that it has already contributed to the emergence of terrorist groups and conflicts in Asia, the Middle East and Africa.

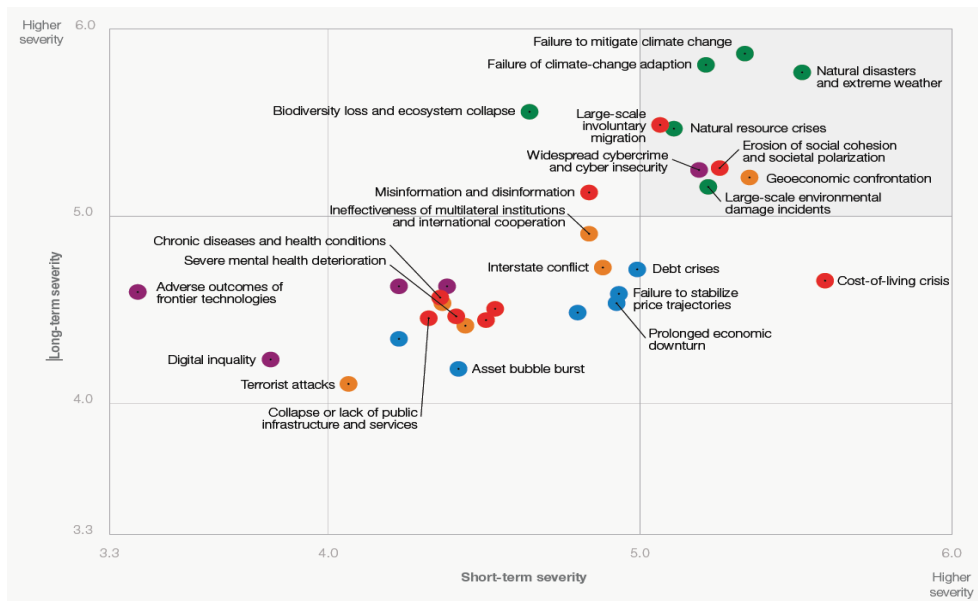
### Global risk ranked by severity over the short and long term



World Economic Forum Global Risks Perception Survey 2022-2023.

### Relative severity of risks over a 2 and 10-year period

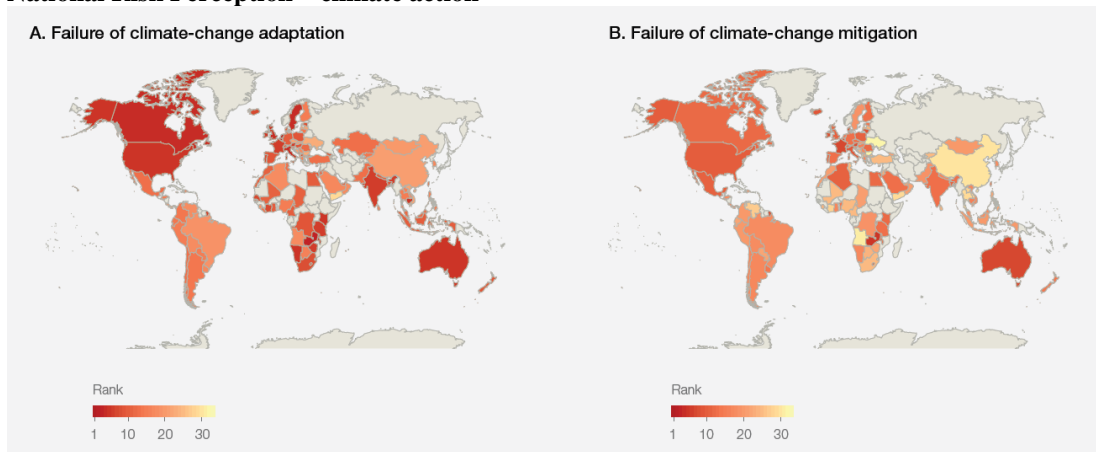
(Severity was assessed on a 1-7 Likert scale [1 – Low severity, 7 – High severity]).



As depicted in the above images, 50% of the top 10 risk for the next 2 years and over a period of 10 years related to Environmental factors including such factors being high on short term and long-term severity index

Indeed, with 1.2°C of warming already in the system, the compounding effect of a changing climate is already being felt, magnifying humanitarian challenges such as food insecurity, and adding another hefty bill to already stretched fiscal balances. In the GRPS results, “Natural disasters and extreme weather events” was considered the second-most severe risk over the next two years. As with many of the global risks featured in this year’s report, the impact of these events disproportionately affects low- and middle-income countries. It registered as a top-five risk in 25 countries surveyed by the EOS, in particular in developing coastal states across Latin America, Africa and South-East Asia.

### National Risk Perception – climate action



Source World Economic Forum Executive Opinion Survey 2022.

As floods, heatwaves, droughts and other extreme weather events become more severe and frequent, a wider set of populations will be affected. In parallel, a consolidation of public- and private-sector resources may set up emerging and pressing trade-offs between disaster recovery, loss and damage, adaptation and mitigation. Although climate mitigation has been overwhelmingly favoured over adaptation in terms of financing to date, particularly in the private sector, EOS results indicate that climate adaptation may now be seen as a more immediate concern in the short term by business leaders. Failure of climate change mitigation only featured in the top five risks over the next two years in one economy, Zambia, whereas the Failure of climate-change adaptation was a top-five risk in 16 countries, such as the Netherlands, where it ranked first. The diversion of attention and resources towards

adaptation may further slow progress on global-warming targets in the economies that remain the biggest contributors to greenhouse gas (GHG) emissions.

### Top five risks identified by the Executive Opinion Survey (EOS)



(source – Sustainable Goals development report 2022)

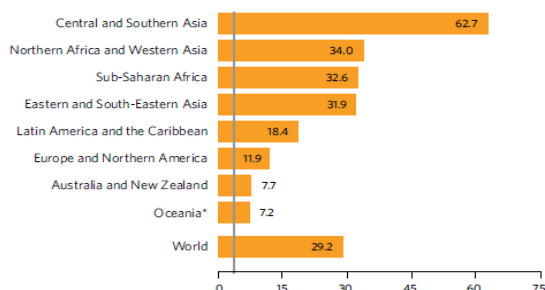
## C. ENVIRONMENTAL FACTORS REQUIRING ATTENTION

### Air quality is now being monitored in a record number of cities, but it remains substandard worldwide

Air pollution poses a significant threat to human health worldwide. In 2019, ambient air pollution from traffic, industry, power generation, waste burning and residential fuel combustion resulted in 4.2 million deaths. Mortality is attributed to exposure to fine particulate matter of 2.5 microns or less (PM<sub>2.5</sub>) in diameter and other pollutants, which put people at increased risk of stroke, heart disease, chronic obstructive pulmonary disease, lung cancer and lower respiratory infections. People with pre-existing chronic diseases have a higher risk of severe illness and death from COVID-19. Current scientific evidence also suggests that air pollution weakens the immune system against infectious diseases.

Global PM<sub>2.5</sub> concentrations have steadily decreased, with an 11 per cent reduction over a decade. More countries now recognize the threat to human health posed by air pollution and the importance of measuring and communicating air-quality levels. A record number of cities (over 6,000) in 117 countries are now monitoring air quality, double the number since 2015. Despite this progress, 99 per cent of the world’s urban population live in areas that exceed the new WHO guidelines on air quality, established in 2021, for PM<sub>2.5</sub> of less than 5 micrograms per cubic metre (reduced from the 10 microgram limit set in 2005). People in low- and middle-income countries are disproportionately affected by outdoor air pollution, with 91 per cent of the 4.2 million premature deaths. According to data from 2017–2019, which measured three-year annual averages, cities in Central and Southern Asia have the worst air pollution in the world, more than two times the global average.

Annual exposure to particulate matter (PM<sub>2.5</sub>) in urban areas, three-year average from 2017 to 2019 (micrograms per cubic metre)



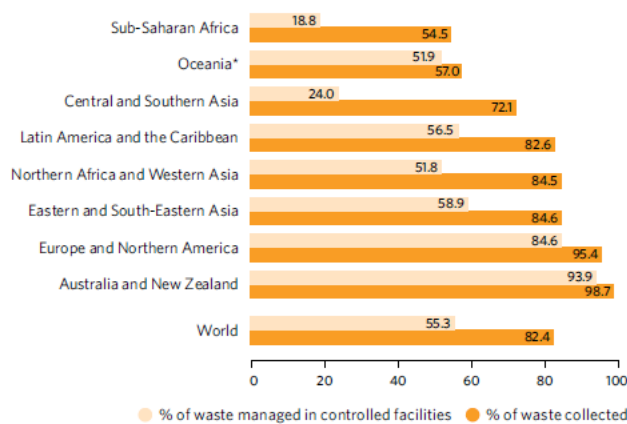
\* Excluding Australia and New Zealand.

Note: The vertical line represents WHO's new air quality guidelines value for particulate matter (PM<sub>2.5</sub>) of 5 micrograms or less per cubic metre.

### As cities continue to grow, the longstanding problem of municipal solid waste continues to mount

As urbanization increases, the world’s cities and metropolises are struggling to cope with the mounting problem of municipal solid waste. When such waste is not collected and managed responsibly, it can become an incubator for infection and a source of plastic pollution and greenhouse gas emissions. In 2022, an average of 82 per cent of municipal solid waste globally was being collected and 55 per cent was being managed in controlled facilities. Municipalities in sub-Saharan Africa and Oceania have an average collection rate of less than 60 per cent. In Asia and in Latin America and the Caribbean, cities have relatively higher collection rates, ranging from 70 to 85 per cent. In Central and Southern Asia, the gap between the collection rate and controlled management rate is larger than in other regions, suggesting that many cities still rely on open dumpsites. Significant investment is needed in the development and maintenance of waste management infrastructure, especially in low- to middle income countries. This must be accompanied by improved policy interventions and strengthened environmental law enforcement for controlled management of municipal solid waste.

**Municipal solid waste collection and management in controlled facilities, 2022 (percentage)**

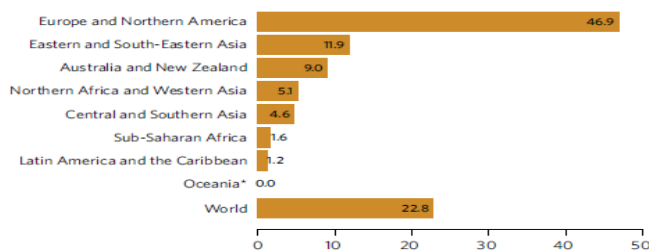


\* Excluding Australia and New Zealand.

### The vast majority of the world’s electronic waste is not being safely managed

When electrical and electronic equipment is discarded, it becomes part of a fast-growing waste stream that contains both valuable and hazardous materials. The rapid rise in this e-waste is driven by growing consumption, short product life cycles and minor repairs. In 2019, the amount of e-waste generated globally was 7.3 kilograms per capita, out of which only 1.7 kilograms was managed in an environmentally sound way (meaning that all hazardous substances are dismantled and adequately treated, and recyclable materials are reclaimed). E-waste collection rates are relatively high in high-income countries, but are much lower in low- and middle-income countries – only 1.6 per cent in sub-Saharan Africa and 1.2 per cent in Latin America and the Caribbean. In low- and middle-income countries, the necessary infrastructure has not yet been developed or is insufficient to manage the e-waste that is locally generated and illegally imported. Moreover, due to the lack of regulations in these countries, e-waste is managed mainly by the informal sector, usually in an unsafe way. Used refrigerants, for example, are emitted in the open air and valuable components are selectively dismantled or extracted by open burning and acid baths, polluting the environment and negatively affecting human health.

**E-waste collection rate (e-waste collected and managed in an environmentally sound way/e-waste generated), 2019 (percentage)**

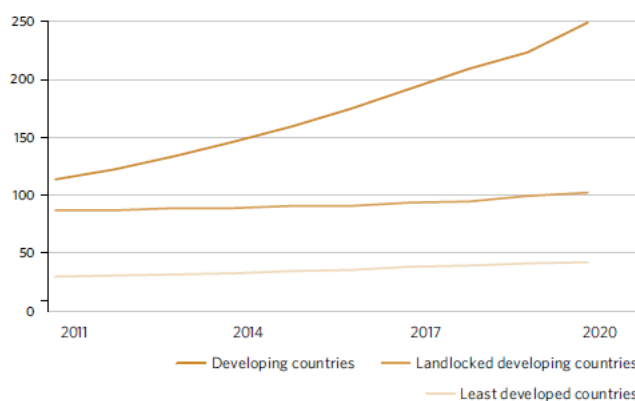


\* Excluding Australia and New Zealand.

### Renewable energy is taking off in developing countries overall, but the poorest, most disadvantaged countries are lagging behind

The capacity of developing countries to generate electricity from renewable sources has soared over the last decade, from 109.7 watts per capita in 2011 to 245.7 watts per capita in 2020, outpacing population growth. Renewables represent over a third (36.1 per cent) of these countries' total electricity-generating capacity. Despite progress in developing countries overall, LDCs and landlocked developing countries are lagging far behind. From 2015 to 2020, the compound annual growth rate of renewable energy in developing countries was 9.5 per cent versus 5.2 per cent and 2.4 per cent, respectively, for LDCs and landlocked developing countries. At current average annual growth rates, it would take these countries almost 40 years to reach the same level of progress that developing countries achieved in 2020. Targeted action is needed for the deployment of renewables in countries most in need.

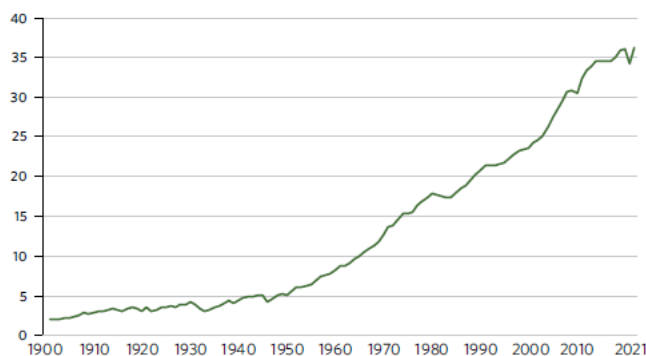
Installed renewable energy-generating capacity, 2011-2020 (watts per capita)



### Fossil fuel emissions rebounded to a record high in 2021, erasing pandemic-related declines

In 2020, social and economic disruptions caused by COVID-19 lowered energy demand around the world. As a result, global carbon dioxide (CO<sub>2</sub>) emissions declined by 5.2 per cent in 2020 – the equivalent of almost 2 billion metric tons, the largest decline ever and almost five times greater than the 2009 drop following the global financial crisis. But it was only a temporary reprieve. With the phasing out of COVID-related restrictions, demand for coal, oil and gas increased. Consequently, energy-related CO<sub>2</sub> emissions for 2021 rose by 6 per cent, reaching their highest level ever and completely wiping out the pandemic-related reduction seen in 2020.

Carbon dioxide emissions from energy combustion and industrial processes, 1900-2021 (gigatons of CO<sub>2</sub>)

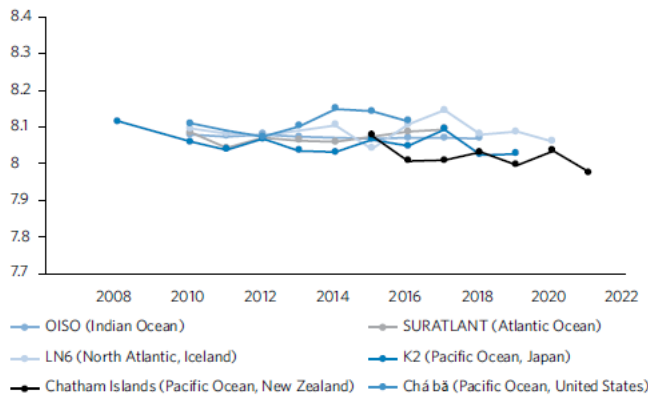


### Increasing acidification is limiting the ocean's capacity to moderate climate change

The ocean absorbs around one quarter of the world's annual carbon dioxide (CO<sub>2</sub>) emissions, thereby mitigating climate change and alleviating its impacts. This critical service, however, comes at a price: it is altering the carbonate system and increasing the acidity of the ocean. Ocean acidification threatens organisms and ecosystem services, endangers fisheries and aquaculture, and affects coastal protection by weakening coral reefs. Further

increases in acidification are expected to accelerate over the coming decades. As acidification worsens, the ocean’s capacity to absorb CO<sub>2</sub> from the atmosphere will diminish, limiting its role in moderating climate change. Over the last two years, the number of observation stations reporting on ocean acidification has almost doubled, from 178 in 2021 to 308 in 2022. Gaps in reporting and data remain. Observation sites in the open ocean have indicated a continuous decline in pH over the past 20 to 30 years. Coastal observations, on the other hand, present a more varied picture due to multiple stressors.

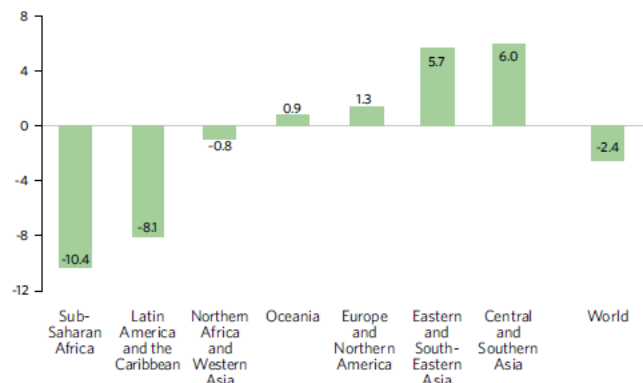
Annual average pH values from representative sampling stations in open waters, 2008-2021



### The world’s forest area continues to shrink, mainly due to agricultural expansion

The world’s forest area continues to decline, but at a slightly slower rate than in previous decades. The proportion of forests fell from 31.9 per cent of total land area in 2000 to 31.2 per cent in 2020, representing a net loss of almost 100 million hectares. Agricultural expansion is driving almost 90 per cent of global deforestation, including 49.6 per cent from expansion for cropland and 38.5 per cent for livestock grazing. Changes in forest area vary widely from region to region. Asia, Europe and Northern America showed an overall increase in forest area from 2000 to 2020 due to afforestation, landscape restoration and the natural expansion of forests. In contrast, significant losses were observed in Latin America and sub-Saharan Africa, mostly due to the conversion of forests into agricultural land. The felling of forests continues, despite major gains in several regions. Between 2010 and 2021, the area of forest land under certification schemes increased by 35 per cent. The proportion of forests under a long-term management plan increased from 54 per cent in 2010 to 58 per cent in 2020. More than 700 million hectares of forest (18 per cent) were in legally established protected areas in 2020. While nearly all forests in Central Asia, Europe and Western Asia fall under a management plan, the managed proportion remains low in Latin America and the Caribbean, Oceania and sub-Saharan Africa.

Change of forest area coverage, 2000-2020 (percentage)



## D. INDIA’S SUSTAINABILITY EFFORT

### D.1 India’s contribution towards Climate change

India is faced with the challenge of sustaining its rapid economic growth while dealing with the global threat of climate change. This threat emanates from accumulated greenhouse gas emissions in the atmosphere, anthropogenically generated through long-term and intensive industrial growth and high consumption lifestyles in developed countries.

In charting out a developmental pathway which is ecologically sustainable, India has a wider spectrum of choices precisely because it is at an early stage of development. The Country’s vision is to create a prosperous, but not wasteful society, an economy that is self-sustaining in terms of its ability to unleash the creative energies of our people and is mindful of our responsibilities to both present and future generations.

Action on addressing climate action was initiated even before the Paris Agreement came into being. In 2008, India launched the National Action Plan on Climate Change (NAPCC), establishing eight National Missions, covering several initiatives and a slew of measures in the area of solar, water, energy efficiency, forests, sustainable habitat, sustainable agriculture, sustaining Himalayan ecosystem, capacity building and research and development (R&D)

<b>NATIONAL SOLAR MISSION</b>	<b>NATIONAL MISSION FOR ENHANCED ENERGY EFFICIENCY</b>	<b>NATIONAL MISSION ON SUSTAINABLE HABITAT</b>	<b>NATIONAL MISSION FOR A GREEN INDIA</b>
<b>NATIONAL WATER MISSION</b>	<b>NATIONAL MISSION ON STRATEGIC KNOWLEDGE FOR CLIMATE CHANGE</b>	<b>NATIONAL MISSION FOR SUSTAINING HIMALAYAN ECOSYSTEM</b>	<b>NATIONAL MISSION FOR SUSTAINABLE AGRICULTURE</b>

In August 2022, the country updated the Nationally Determined Contributions (NDCs) in line with the Hon’ble PM’s vision expressed in the 26th meeting of the Conference of Parties of UNFCCC.

- India declared the Net Zero Pledge to achieve net zero emissions goal by 2070.
- India achieved its target of 40% installed electric capacity from non-fossil fuels ahead of 2030.
- The likely installed capacity from non-fossil fuels to be more than 500 GW by 2030 resulting in the decline of average emission rate by around 29% by 2029-30, compared to 2014-15.
- India to reduce emissions intensity of its GDP by 45% by 2030 from 2005 levels.
- About 50% cumulative electric power installed capacity to come from non-fossil fuel-based energy resources by 2030.
- A mass movement LiFE– Lifestyle for Environment launched.
- Sovereign Green Bond Framework (SGrBs) was issued in November 2022.
- RBI auctions two tranches of ₹4,000 crore Sovereign Green Bonds (SGrB).
- National Green Hydrogen Mission to enable India to be energy independent by 2047.
- Green hydrogen production capacity of at least 5 MMT (Million Metric Tonne) per annum to be developed by 2030. The cumulative reduction in fossil fuel imports is over ₹1 lakh crore and the creation of over 6 lakh jobs by 2030 under the National Green Hydrogen Mission. Renewable energy capacity addition of about 125 GW and abatement of nearly 50 MMT of annual GHG emissions by 2030.
- Solar power capacity installed, a key metric under the National Solar Mission stood at 61.6 GW as of October 2022.
- India becoming a favoured destination for renewables; investments in 7 years stand at US\$ 78.1 billion.



- 62.8 lakh individual household toilets and 6.2 lakh community and public toilets were constructed (August 2022) under the National Mission on Sustainable Habitat.

(source : India economic-survey-2022-23, National Action Plan on Climate change)

## D.2 Increasing Spend on Sustainability by Government & Corporate Entities

### **Government**

- \$600+ Mn spend towards faster adoption of manufacturing of electric vehicles scheme (FAME –II) in FY 23-24 which is 80% more YoY
- National Clean Air Program (NCAP) has seen consistent increase in budget from \$50Mn in FY 2021-22 to \$95 Mn in FY 2023-24
- National Green Tribunal (NGT) is set up for cases related to environmental protection and conservation of forest and natural resources (3rd country to do so)
- Namami Gange program has 76 projects approved at investment of \$620Mn for creating treatment capacity of 678MLD and sewer network of 2,546kms
- National Water Development Agency (NWDA) linking of 37 rivers and the creation of 30 links, with a total length of around 14,000km of canals. The project was estimated to cost ~ \$80Bn at the time of its proposal

### **INDUSTRY**

- CSR spending on environment in FY 2019-20 was \$165 Mn which was up by 70% compared to FY 2014-15 (total spend over the 5 years was \$543 Mn)
- Adani group will spend \$70 Bn in green investment over next 8 years
- Reliance group plans to invest \$10 Bn for end-to-end green eco-system
- Tata power plans to invest \$9 Bn in renewables over next 5 years
- ITC limited to invest \$1.1 Bn in renewable energy, water conservation and sustainable agriculture
- Mahindra group to invest \$1 Bn in electric vehicles and renewable energy
- Aditya Birla group to invest \$1 bn in renewable energy, water conservation and sustainable forestry

(Source : Green tribunal, Investindia, News articles, Company websites, National clean air program)

## D.3 Opportunities in Environment consulting

- The securities regulator Securities and Exchange Board of India's (SEBI) Business Responsibility and Sustainability Reporting (BRSR) regime, which rolled out in April 2022, is the first step towards mainstreaming mandatory ESG disclosures among listed companies. Initially applicable to the top 1,000 listed companies (by market capitalisation), it is aimed at building capacity. Third-party or external assurance is voluntary at this stage.
- In 2020, a coalition of six Indian industries signed up for an 'Industry Charter for Near Zero Emissions by 2050'. The coalition includes Siemens Energy India, Thermax, Dalmia Cement (Bharat) Ltd, Shell Group of Companies India, Hindalco Industries and Tata Consulting Engineers Ltd. However, for business organisations, just making pledges is not enough. They need credible strategies across organisational functions and supply chains to realise the targets.
- Climate change is a very complex issue, and decarbonisation is just one way of addressing it. Achieving decarbonisation targets may be time-consuming. At times, it requires long term investment, changes in technology, changes in business models and so on. Occasionally, new technology can force a shift in strategy. As a result, it is difficult for businesses to understand where action must be focused and prioritised to address the issue of decarbonisation. To that end, corporates are approaching consultancy firms.
- Major global sustainability consulting industry players include McKinsey & Company, KPMG Accenture, Bain & Company, EY and Deloitte. According to The Insights Partners, the global environmental consulting services market size that stands at USD 34.3 billion in 2020 is projected to reach USD 50.9 billion by 2028 at a CAGR of 5.4%.
- The demand for environmental consulting services is set to increase, given countries are gradually coming together to tackle global warming and climate change. They have also started integrating

climate change regulations and policies as part of their law-making process. The fastest-growing environmental consultancy market is in the Asia-Pacific. The region is home to around 60% of the world's population, with China and India being the most populated countries.

- India ranks seventh on the Global Climate Risk Index. The country is looking toward disaster resilient and energy-efficient infrastructures. All these factors are driving the growth of the environmental consulting services market in the region. The Indian Environmental consulting services market size that stands at USD 0.75 billion in 2020 is projected to reach USD 1.1 billion by 2026 at a CAGR of 6.6%. (source ?)
- The consultancy firms are helping businesses to create differentiated strategies to reduce the carbon intensity and greenhouse gas emission of their operations, supply chain and product mix; build new business models and capabilities to cash in on new opportunities in energy transition and energy efficiency; to modify their portfolio mix that minimises risk and maximises growth, and make investments in offsets that will ensure full contribution to the net-zero equation.
- Consultancy firms assess clients' ESG impacts, create science-based targets, and engage effectively with key stakeholders. While formulating strategies, they focus on natural resource management, circular economy, and reporting frameworks and guidelines.
- Introducing the Environment, Social, and Governance (ESG) reporting requirements through the Business Responsibility and Sustainability Report (BRSR) will bring standardisation to ESG risk assessment. In addition, the data will be made available in the report to compare environmental, social and governance goals across companies and sectors. This will further stimulate demand for environmental consultancy services.
- The opportunity is also manifesting in the environmental compliances with an approx. of 90K existing companies requiring environmental compliances each year not including an addition of approx. of 10K factories started each year (source RBI) creating a total opportunity of approx. \$500 million

([https://www.eco-business.com/news/ Shantanu Srivastava, energy finance analyst with think tank Institute for Energy Economics and Financial Analysis \(IEEFA\)](https://www.eco-business.com/news/Shantanu_Srivastava_energy_finance_analyst_with_think_tank_Institute_for_Energy_Economics_and_Financial_Analysis_(IEEFA)_), <https://analyticsindiamag.com/decarbonisation-is-a-big-business-opportunity-for-consulting-firms-in-india/>)

## OUR BUSINESS

*This section should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the section titled “Risk Factors” and sections titled “Restated Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 23, 150 and 179 respectively, of this Draft Prospectus.*

*Unless otherwise indicated, the Restated Financial Statements included herein is based on our Restated Financial Statements for the Financial Years ended on March 31, 2023, 2022 and 2021 included in this Draft Prospectus. For further information, see “Restated Financial Statements” beginning on page 150 of this Draft Prospectus.*

### **OVERVIEW**

We are environmental consulting company with 20+ years of experience, headquartered in Pune, India. Our key offerings include Consulting – Regulatory | Sustainability, Technology – Execution | Info Tech and Research – Policy | Engineering. We are one of the first companies in India providing environmental IT solutions through cutting-edge software applications and compliance solutions. We have diverse experience in handling complex projects across various industries like infrastructure, chemical, automobile, healthcare, manufacturing, real estate and national/state governments. Our client base includes government, semi government organization, MNCs, large companies, mid-size companies and MSMEs.

Our Company was originally formed as a partnership firm pursuant to deed of partnership dated April 05, 2001 in the name and style of “*Techno Green Environmental Solutions*”, thereafter the firm got registered under the Partnership Act, 1932 (“Partnership Act”) having Firm Registration Number BA-81287 in the name and style of “*Technogreen Environmental Solutions*” dated September 17, 2001. The firm was thereafter converted from Partnership Firm to a Public Limited Company under Part I of Chapter XXI of the Companies Act, 2013 with the name and style of “*Techknowgreen Solutions Limited*” and received a Certificate of Incorporation from the Registrar of Companies, Central Registration Centre dated January 02, 2023.

Our Company is promoted by Ajay Ramakant Ojha and Prasad Rangrao Pawar who are technocrats in environmental consulting, technology & management field with a vision to empower clients by ensuring sustainability and profitability can go hand in hand and achieving double bottom line.

### **OUR LOCATIONS**

<b>Registered Office</b>	Flat-202, Hem Opal Apartment, Plot No. 26, Ekta Park Society, Wakdewadi, Pune – 411003, Maharashtra, India
<b>Branch Office</b>	<p><b><u>Delhi</u></b> H.No. 280/22, Onkar Nagar-B, Tri Nagar, Delhi – 110035</p> <p><b><u>Mumbai</u></b> Shop No. 12, Gr. Fl., Beaumonte, Bldg No. 10, B Wing, Near PVR Cinema, Road No. 28A, Sion (East), Mumbai - 400022</p>

### **OUR SERVICES**

Our Company has established itself in 3 verticals i.e. Consulting – Regulatory | Sustainability, Technology – Execution | Info Tech and Research – Policy | Engineering, all of them being part & parcel of the overall plan & strategy of growth & development of the company’s footprint as well as expanse in near future. The special services of each of these sectors is provided in table below:

CONSULTING REGULATORY   SUSTAINABILITY	TECHNOLOGY EXECUTION   INFO TECH	RESEARCH POLICY   ENGINEERING
<ol style="list-style-type: none"> <li><b>Environment Impact Assessment:</b> 5 sectors NABET approval. Life cycle assessment, carbon neutrality, ECBC, traffic study, Hydro geology study, Post EC, CCR</li> <li><b>ESG and Climate Change:</b> Includes sustainability reporting, climatology</li> <li><b>Environmental Compliance:</b> Consent, PESO, fire factory, CGWA, EPR, HW and BMW authorizations</li> <li><b>Environmental Due Diligence:</b> includes               <ul style="list-style-type: none"> <li>Phase 1: Site Assessment</li> <li>Phase 2: Chemical Analysis</li> <li>Phase 3: Remediation</li> </ul> </li> <li><b>DPR and designing</b> includes STP, ETP., WTP, SWM, remediation , Air Pollution Control (Urban), HWM, EPR, Renewables</li> <li><b>Training and sensitization</b></li> <li><b>Environment crime investigation</b></li> </ol>	<ol style="list-style-type: none"> <li><b>Wastewater:</b> STP, ETP, Zero Liquid discharge (ZLD)</li> <li><b>Air:</b> developed products such as YUKA Yantra for indoor Air and virtual chimney for ambient Air purification</li> <li><b>Solid Waste:</b> BIOGAS, organic composter</li> <li><b>Remediation:</b> Soil, decontamination, hazardous waste</li> </ol> <p><b>Information Technology</b></p> <ol style="list-style-type: none"> <li><b>Software:</b> developed KYC (Know your compliance), Intelligent decision support system (IDSS),</li> <li><b>Applications:</b> Developed ROCO footprint, E-catalyst and mass plantation applications for MPCB</li> <li><b>IoT:</b> data communication interface for applications and software</li> </ol>	<ol style="list-style-type: none"> <li><b>Climate change:</b> Carbon capture, storage and utilization (CCUS), modelling Blue Carbon, Carbon sink, Carbon and</li> <li><b>methane - neutrality and Climate resilience,</b></li> <li><b>Circular economy;</b> Wastewater trading, circular economic wetland technology</li> <li><b>Pollution control technologies:</b> Advanced Oxidation process (AOP), nature-based solutions (NBS)</li> <li><b>AI and Robotics:</b> environmental surveillance, Compliance monitoring, Big data</li> <li><b>Policy research analysis:</b> Cost and health – benefit analysis (CBA), analysis of Alternatives, policy screening</li> </ol>

## OUR STRENGTH

Our competitive strengths are as follows:

### ❖ Robust Execution Capabilities

- Management’s deep expertise allows us to understand clients' environment and sustainability challenges
- Faster execution of complex consulting projects due to our vast experience across wide array of assignments
- Ability to quickly mobilize expert execution teams across any part of India

### ❖ Across Multiple Sectors

- Regular work across core polluting industries like Chemicals & Fertilizers, Pharma, Food, Infrastructure, Distilleries, etc.
- Executing projects across newer sectors like Data Centers, R&D Setups, ESG

### ❖ Many Innovative Executions

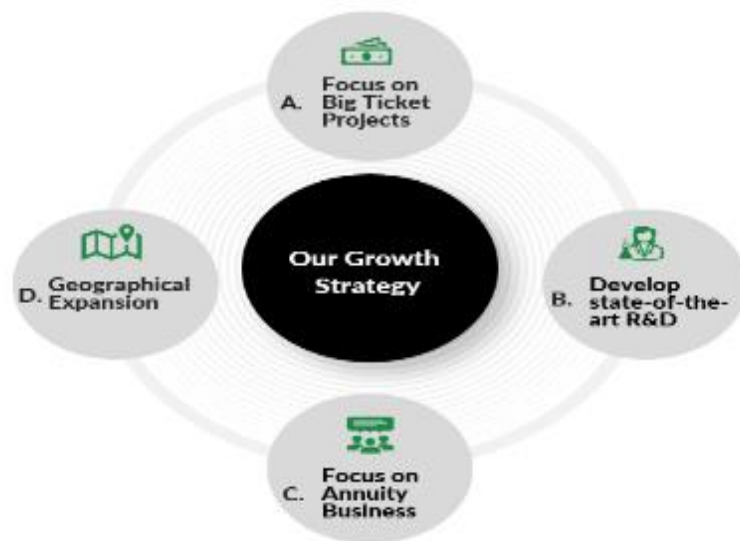
- Implemented first ever circular economic wetland technology demonstration for 1 Mn Liters /day at Kotawali Nallah in Chiplun to resolve the issue of contamination (Year 2022)

- Supported the first ever Majhi Vasundhara Evaluation of 800 local bodies & now 17,000 for State Government
- Strong feedback over competitors through value added quality and timely out of box economic solutions

❖ **Strong Team Experience**

- 70+ people team of dedicated experts across multiple domains

**OUR GROWTH STRATEGY**



**A**

**Focus on Big Ticket Projects**

- Cross-selling of Impact Assessment services with Environmental Clearance to realise 2-2.5x sales value
- Increased bidding on large government projects like carbon, neutrality, climate resilience & city planning (50% - 100% higher value assignments than normal consulting assignments)
- Focus on newer opportunities like data center environmental permits (higher ticket size)

**B**

**Upgrade to a State-of-the-Art R&D Infrastructure**

- Strengthen in-house R&D team through resource addition & infrastructure expansion
- Tie-ups with major IITs and Internationally acclaimed Universities
- Enplanements of environmental professors and experts on board

C

## Focus on Annuity Business

- Target 30-40% revenue from new and existing service offerings
- Strengthening of environmental division in 12-18 months
- Expand our shared resources model for environmental compliance roles across existing clients

D

## Geographical Expansion Strategy

- Bolstering presence in Kingdom of Saudi Arabia by creating on ground execution team in ~12 months and further expanding expertise to GCC market
- Enter the highly lucrative US market in 12-18 months

### CASE STUDY

#### (1) STP project for East Delhi Municipal Corporation

Name of the Client:



East Delhi Municipal Corporation

Project Overview:

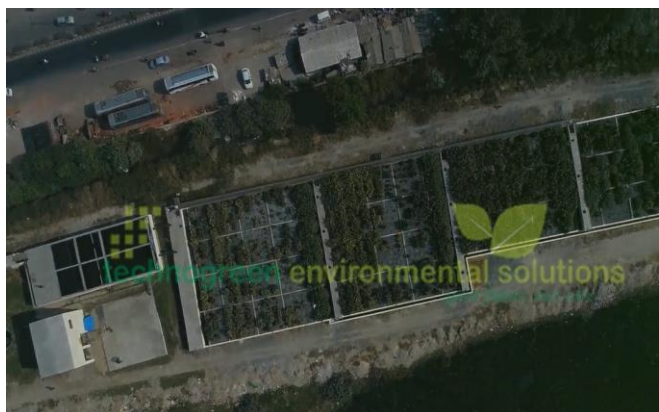
Rejuvenate Shahdara Jheel by treating sewage

Project cost capacity and period:

- INR 9.6 Crores (Extended Tender Cost) with 3 MLD STP capacity
- Initiated in June 2015 and commissioned in December 2017

Project Details

The goal of the project was to improve the condition of Shahdara Jheel by treating 3 MLD of municipal sewer waste using Phytorid Technology. The treatment process involved primary treatment and secondary treatment using Phytorid. The implementation process included creating grit chambers and settling tanks with tube settlers for passage of sewage and settled sludge being disposed of using a decanter system. The treated effluent finally discharged into the Jheel



**(2) ROCO footprint App**

Name of the Client:



Project Overview:

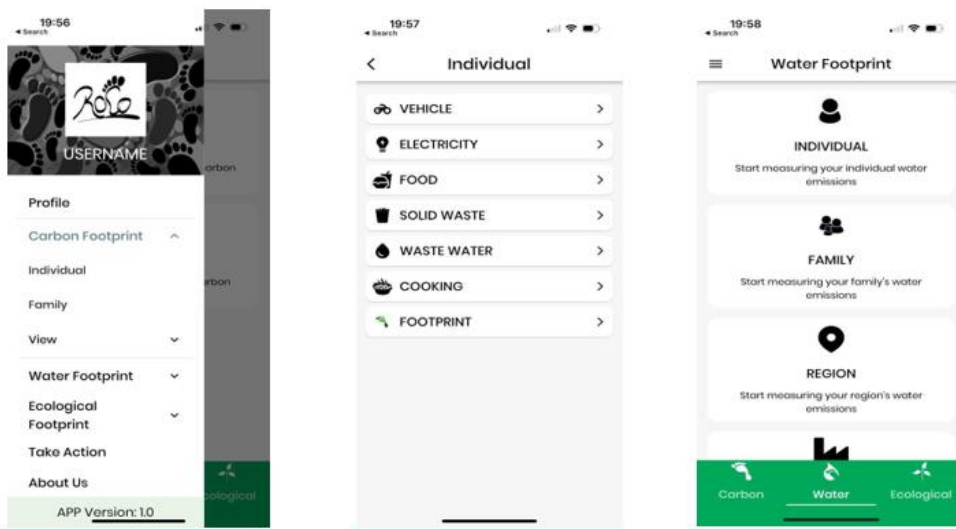
Development of ROCO Mobile App for MPCB for State of Maharashtra State

Project cost and period:

- INR 9.27 Lakhs
- Initiated in March 2021

Project Details

Development of mobile application for Android as well as IOS system which shall help individuals, communities, and families to compute their carbon foot, water & ecological footprint. The app also provides step wise / parameter wise ways to reduce the carbon footprint. It is one of the kinds of integrated apps which has all the 3 verticals that impact the overall environmental footprint of individuals and ways and means to pledge for reductions. Selfie can be taken and posted of the footprint to declare on social media



**COLLABORATION**

As on the date of this Draft Red Herring Prospectus, our Company has not entered into any collaboration agreements.

**UTILITIES**

Our registered office is situated at Pune, branch office in Delhi & Mumbai, and Project office in Sonipat, Indore and Solan. The offices are equipped with computer systems, internet connectivity, other communication equipment, security and other facilities which are required for our business operations to function smoothly. Our offices are well equipped with requisite utilities and facilities including the following:

**Power**

Our Company meets its power requirements in our offices from the local electricity supplier and the same is sufficient for our day-to-day functioning.

**Water**

Our registered office and branch offices have adequate water supply arrangements for human consumption purpose. The requirements are fully met at the existing premises.

**EXPORT AND EXPORT OBLIGATION**

As on date of this Draft Prospectus, our Company does not have any export and export obligations.

**PLANT AND MACHINERY**

Our Company does not have any plant and machinery since our business is not in the nature of a manufacturing concern.

**CAPACITY AND CAPACITY UTILIZATION**

Capacity and capacity utilization is not applicable to our Company since our business is not in the nature of a manufacturing concern with specified installed capacity.

**COMPETITION**

We operate in a competitive atmosphere. Some of our competitors may have greater resources than those available to us. While service quality, brand value, execution capabilities, etc. are key factors in client’s decision making, however, reliability and competitive pricing is the deciding factor in many cases. We face fair competition from both organized and unorganized players in the market.

**HUMAN RESOURCE**

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for our business.

As on the date of Draft Prospectus, we have 68 employees. We seek to maintain a culture of innovation by empowering our employees at all levels of our organization. Our success depends upon our ability to attract, develop, motivate and retain highly-skilled and multi-dimensional team members. Our people management strategy is based on four key components: recruiting, training and development, compensation and retention.

Category	No. of Employees
Management	3
Finance & Accounts (SAP)	4
Legal & HR	2
Administration	2
Business Development	33
Consulting (Regulatory & Sustainability)	22
Technology(Execution & Infotech)	1
Research (Engineering & Policy)	1

**INSURANCE**

As on the date of the Draft Prospectus, our company does not have an insurance policy. We have not experienced any material liability claim from our end users arising from or relating to the us. For further details in relation to risks associated with insurance policies of our Company, see “**Risk Factor**” on page 23 of this Draft Prospectus



## INTELLECTUAL PROPERTY

(1) The Details of the intellectual property rights of our company is given here below:

Sr. No.	Name of Lessor	Name of Lessee	Rights	Fees & Royalty	Tenure
1	Council of Scientific and Industrial Research	Technogreen Environmental Solutions	KNOWHOW – Phytorid-SWAB [Phytorid – Scientific Wetlands with Active Biodegradation] of CSIR-NEERI	Cost of Technology - ₹18.00 Lakh + GST Royalty – ₹0.50 Lakh/ MLD + GST	5 years from February 13, 2020

(2) We have registered for several trademarks, copyrights and designs in connection with our business. For further details, see “*Government and Other Statutory Approvals*” on page 193 of this Draft Prospectus.

## BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORTING (“BRSR”)

We are proud to announce that Techknowgreen Solutions Limited has become a public limited company in January 2023, and we remain committed to being a responsible business that embodies sustainability and accountability. We recognize that sustainability reporting is a crucial communication tool, and we have therefore decided to adopt the BRSR-lite framework to ensure transparency in our non-financial reporting efforts.

Although BRSR compliance is not mandatory for us, we believe in voluntarily adoption of such reporting mechanisms to hold ourselves accountable and showcase our commitment to responsible business practices. We understand that our investors and stakeholders expect us to maintain transparency in our reporting, and we are determined to exceed their expectations.

To begin with ESG journey, we have implemented several policies and mechanisms, such as Human Rights, Code of Ethics, POSH, Whistleblower to comply with BRSR requirements.

As a part of our commitment towards environment, we have initiated several practices like moving towards “zero paper” where possible and feasible, a ban on single-use plastics inside office, waste segregation & disposal. Furthermore, we are currently working on our upcoming office space so that it can be energy efficient and sustainable.

All of these initiatives are intended to help us promote sustainability and minimize our environmental impact. We are confident that these measures, along with our adoption to BRSR-lite framework, will provide our investors and stakeholders with a comprehensive and accurate overview of our sustainability efforts and performance, and we are proud to begin this journey towards a more sustainable future.

## INFORMATION TECHNOLOGY

Our Company has sufficient IT infrastructure to generate various MIS reports required for Accounts, Finance control and operational control. The key functions of our IT team include establishing and maintaining enterprise information systems and infrastructure services to support our business requirements and maintaining secure enterprise operations.

## IMMOVABLE PROPERTIES

### *Properties Owned by our Company:*

As on the date of this Draft Prospectus, our company does not own any immovable property.

### *Properties taken on lease by our Company:*

The Details of the Immovable property taken on lease by our company is given here below:

Sr. No.	Name of Lessor	Name of Lessee	Address of Property	Usage Purpose	Rent	Tenure
1	Ajay Ramakant Ojha	Techknowgreen Solutions Limited	Flat-202, Hem Opal Apartment, Plot No. 26, Ekta Park Society, Wakdewadi, Pune – 411003, Maharashtra	Registered Office	₹30,000/- per month	11 months from January 01, 2023
2	Mukesh Sharma	Techknowgreen Solutions Limited	H.No. 280/22, Onkar Nagar-B, Tri Nagar, 2 <sup>nd</sup> Floor, Delhi – 110035	Branch Office	₹10,000/- per month	11 months from January 18, 2023
3.	Bindu Jatashankar Upadhyay	Techknowgreen Solutions Limited	Shop No. 12, Gr. Fl., Beaumonte, Bldg No. 10, B Wing, Near PVR Cinema, Road No. 28A, Sion [East], Mumbai - 400022	Branch Office	₹54,000/- per month	36 months from August 1, 2023
4	Dharam Singh	Techknowgreen Solutions Limited	Ground Floor, Shahpur Turk, 83, Sonipat, Haryana – 131001	Temporary facility for Office and project workers	₹16,000/- per month	11 months from February 04, 2023
5	Somnath Jadhav	Techknowgreen Solutions Limited	C-01, Flat No. 615, Rau Bypass Road, Newyork City, Indore, Madhya Pradesh – 452012	Temporary facility for Office and project workers	₹10,000/- per month	11 months from January 31, 2023
6.	Deepak Kumar	Techknowgreen Solutions Limited	Village Dattowal Near Drivine Hotel, Swarghat Road, PO & Tehsil Nalagarh Distt. Solan, Himachal Pradesh – 174101	Temporary facility for Office and project workers	₹4,000/- per month	11 months from February 01, 2023

For risk related to leased premises, see “Risk Factors No. 25 – Our Registered Office, Branch Offices and project offices are taken on lease and we cannot assure you if such lease will be renewed from time to time.” on page 32 of this Draft Prospectus.

## **KEY INDUSTRY REGULATIONS AND POLICIES**

The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this section has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain. The regulations and policies set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For details of such approvals, please see the section titled “*Government and other Statutory Approvals*” on page 193 of this Draft Prospectus.

**This section has been classified as under:**

- a. Corporate and Commercial laws
- b. Labour and Employment Laws
- c. Tax Laws
- d. Intellectual Property Laws

### **A. CORPORATE AND COMMERCIAL LAWS**

#### **The Companies Act, 2013**

The Companies Act primarily regulates the formation, financing, functioning and restructuring of separate legal entity as companies. The Act provides regulatory and compliance mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. The provisions of the Act state the eligibility, procedure and execution for various functions of the company, the relation and action of the management and that of the shareholders. The law lays down transparency, corporate governance and protection of shareholders & creditors. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

#### **Indian Contract Act, 1872**

Indian Contract Act codifies the way we enter into a contract, execute a contract, implementation of provisions of a contract and effects of breach of a contract. The Act consists of limiting factors subject to which contract may be entered into, executed and breach enforced as amended from time to time. It determines the circumstances in which promise made by the parties to a contract shall be legally binding on them.

#### **Negotiable Instruments Act, 1881**

In India, any negotiable instruments such as cheques are governed by this Act, Section 138 of the Act, makes dishonour of cheques a criminal offence if the cheque is dishonoured on the ground of insufficiency of funds in the account maintained by a person who draws the cheque which is punishable with imprisonment as well as fine.

#### **The Registration Act, 1908 (“Registration Act”)**

The Registration Act was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property also. The Registration Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

#### **Indian Stamp Act, 1899 (the “Stamp Act”)**

Under the Indian Stamp Act, 1899 (the “Stamp Act”) stamp duty is payable on instruments evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. Stamp duty must be paid on all instruments specified under the Stamp Act at the rates specified in the schedules to the Stamp Act. The applicable

rates for stamp duty on instruments chargeable with duty vary from state to state. Instruments chargeable to duty under the Stamp Act, which are not duly stamped, are incapable of being admitted in court as evidence of the transaction contained therein and it also provides for impounding of instruments that are not sufficiently stamped or not stamped at all.

### **The Arbitration and Conciliation Act, 1996**

This act was enacted by Parliament in the Forty-seventh Year of the Republic of India to consolidate and amend the law relating to domestic arbitration, international commercial arbitration and enforcement of foreign arbitral awards as also to define the law relating to conciliation.

### **The Insolvency and Bankruptcy Code, 2016**

The Insolvency and Bankruptcy Code, 2016 (the “code”) cover Insolvency of individuals, unlimited liability partnerships, Limited Liability partnerships (LLPs) and companies.

The IBC 2016 has laid down a collective mechanism for resolution of insolvencies in the country by maintaining a delicate balance for all stakeholders to preserve the economic value of the process in a time bound manner. The code empowers any creditor of a Corporate Debtor (CD), irrespective of it being a Financial Creditor (FC) or Operational Creditor (OC) or secured or unsecured creditor, or the Corporate Debtor itself, to make an application before the Adjudicating Authority (AA) to initiate Corporate Insolvency Resolution Process (CIRP) against a Corporate Debtor, at their discretion, in the event of there being a default by the Corporate Debtor in payment of their dues for an amount as specified from time to time.

### **Information Technology Act, 2000 (the “IT Act”) and the rules made thereunder**

The IT Act seeks to (i) provide legal recognition to transactions carried out by various means of electronic data interchange involving alternatives to paper-based methods of communication and storage of information (ii) facilitate electronic filing of documents and (iii) create a mechanism for the authentication of electronic documentation through digital signatures. The IT Act recognises contracts concluded through electronic means, protects intermediaries in respect of third-party information liability and creates liability for failure to protect sensitive personal data.

The IT Act empowers the Government of India to formulate rules with respect to reasonable security practices and procedures and sensitive personal data. In exercise of this power, the Department of Information Technology, Ministry of Electronics and Information Technology, Government of India (“DoIT”), in April 11, 2011, notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 (“IT Security Rules”) which prescribe directions for the collection, disclosure, transfer and protection of sensitive personal data by a body corporate or any person acting on behalf of a body corporate.

The IT Security Rules require every such body corporate to provide a privacy policy for handling and dealing with personal information, including sensitive personal data, ensuring security of all personal data collected by it and publishing such policy on its website. The IT Security Rules further require that all such personal data be used solely for the purposes for which it was collected and any third-party disclosure of such data is made with the prior consent of the information provider, unless contractually agreed upon between them or where such disclosure is mandated by law.

### **Shops and commercial establishments legislations**

Under the provisions of local shops and establishments legislations applicable in the states in which establishments are set up, establishments are required to be registered. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. All establishments must be registered under the shops and establishments legislations of the state where they are located. There are penalties prescribed in the form of monetary fine or imprisonment for violation of the legislations, as well as the procedures for appeal in relation to such contravention of the provisions.

## **B. LABOUR AND EMPLOYMENT LAWS**

### **The Contract Labour (Regulation and Abolition) Act, 1970 (“CLRA Act”)**

The CLRA Act was enacted to regulate the employment of contract labour in certain establishments and to provide for its abolition in certain circumstances. The CLRA Act is applicable to every establishment in which 20 or more workmen are or were employed in the preceding 12 months as contract labour and to every contractor who employs or employed on any day during the preceding 12 months, 20 or more workmen. Every principal employer of an establishment to which the CLRA Act applies, shall apply for registration of the establishment with the appropriate registering office and get registered. Under the CLRA Act, the principal employer has to provide essential amenities like canteens, rest rooms, drinking water facilities and first aid facilities if the same is not provided by the contractor. Every contractor to whom the CLRA Act applies, is also required to obtain a license and not to undertake or execute any work through contract labour, except under and in accordance with such license. Further under the CLRA Act, the principal employer has to ensure through a nominated representative that the Contractor distributes wages within the prescribed time, failing which the principal employer shall be liable to make payment of wages in full or the unpaid balance and recover the amount so paid from the Contractor.

Contravention of the provisions of the CLRA Act and the rules and regulations thereunder is punishable with imprisonment of up to three months and a fine of up to ₹1,000, or both and an additional fine of ₹100 for every day during which such contravention continues after conviction for the first such contravention.

### **The Employees State Insurance Act, 1948 (“ESI Act”):**

The ESI Act was enacted to provide for certain benefits to employees in case of sickness, maternity and ‘employment injury’ and to make provisions for certain other matters in relation thereto. Employment injury means a personal injury to an employee caused by accident or an occupational disease arising out of and in the course of his employment, being an insurable employment. The ESI Act applies to all factories that are non-seasonal in nature and establishments that are notified by the appropriate state government in consultation with the Government of India from time to time. All employees in establishments covered by the ESI Act are required to be insured and the employer is also required to register himself under the ESI Act and maintain prescribed records and registers in addition to filing of forms with the concerned authorities. The ESI Act provides for a need based social insurance scheme under which the employer and employee must contribute certain percentage of the monthly wage of the employees as prescribed by the Government of India from time to time to the Employee State Insurance Corporation established under the ESI Act.

If any contribution payable under this Act is not paid by the principal employer, he shall be liable to pay simple interest at the rate of 12% p.a. or at such higher rate as may be specified in the regulations till the date of its actual payment under the ESI Act.

### **The Payment of Wages Act, 1936 (“POW Act”)**

The POW Act was enacted with a view to ensuring that wages payable to employed persons covered by the Act were disbursed by the employers within the prescribed time limit and that no deductions other than those authorised by law were made by them. It applies to the persons employed in a factory, industrial or other establishment, where the monthly wages payable is less than ₹24,000 whether directly or indirectly, through a sub-contractor and provides for the imposition of fines on persons responsible for payment of wages and deductions and lays down wage periods. Employers have to compulsorily maintain register of wages, register of fines, register of deduction for damages or loss, and register of advances in the prescribed forms. Contravention of the provisions shall be punishable with fine which shall not be less than ₹1,500 (Rupees One Thousand Five Hundred only), but which may extend to ₹7,500 (Rupees Seven Thousand Five Hundred only), according to the respective sections of POW Act violated. Repeated conviction under the same provision is punishable with imprisonment for a term which shall not be less than 1 (one) month, but which may extend to 6 (six) months and fine which may extend to ₹22,500 (Rupees Twenty-Two Thousand Five Hundred only) under the POW Act.

### **The Minimum Wages Act, 1948 (“Min Wages Act”)**

The Min Wages Act was enacted for fixing minimum rates of wages in certain employments. The provisions of the Minimum Wages Act are applicable on every employment that employs more than 1000 personnel in a State.

Under the Min Wages Act every employer is mandated to pay not less than the minimum wages to all employees engaged to do any work whether skilled, unskilled, manual or clerical (including out-workers) in any employment listed in the schedule to the Minimum Wages Act, in respect of which minimum rates of wages have been fixed or revised under the Minimum Wages Act.

Any employer who pays to any employee less than the minimum rates of wages fixed for that employee's class of work, or less than the amount due to him under the provisions of the Minimum Wages Act, shall be punishable with imprisonment for a term which may extend to six months, or with fine which may extend to five hundred rupees.

#### **The Payment of Bonus Act, 1965 (“POB Act”)**

The POB Act, as amended was enacted to provide for the payment of bonus to persons employed in certain establishments where 20 (twenty) or more persons are employed on the basis of profits or on the basis of production or productivity and for matters connected therewith. Under the POB Act, every employer is bound to pay to every employee, in respect of the accounting year, a minimum bonus which is 8.33% of the salary or wage earned by the employee during the accounting year or ₹100 (Rupees one hundred only), whichever is higher, provided the employee has worked in the establishment for not less than 30 (thirty) working days in that year. The maximum bonus including productivity linked bonus that can be paid in any accounting year shall not exceed 20% of the salary/wage of an employee under the POB Act.

Contravention of the provisions of the POB Act by a company is punishable with imprisonment for a term of up to 6 (six) months or a fine of up to ₹1,000 (Rupees one thousand only) or both, against persons in charge of, and responsible to the company for the conduct of the business of the company at the time of contravention, as well as the company.

#### **The Employees Provident Fund and Miscellaneous Provisions Act, 1952 (“EPF Act”)**

The EPF Act, was enacted to provide for the institution of provident funds, pension fund and deposit-linked insurance fund for employees in factories and other establishments mandating registration of such establishments employing twenty or more persons or class of such establishments which the Central Government may, by notification in the Official Gazette, specify in this behalf. An establishment with less than 20 (twenty) employees can voluntarily opt for PF registration to protect employee’s benefits. Under the EPF Act, every employee whose wages are under ₹15,000 (Rupees Fifteen Thousand only) has to mandatorily contribute towards EPF and Employee Pension Scheme (“EPS”) if his/ her wages (Basic + Dearness Allowance). If an employee is drawing wages over ₹15,000 per month, then he can ask for PF deductions from his salary. Both the employees and employers contribute 12% of the basic wages and dearness allowance to the provident fund (PF) account. The EPF Act also requires the employer to maintain registers and submit a monthly return to the State Provident Fund Commissioner.

Any person who contravenes the provisions of the EPF Act would be punishable with imprisonment that can extend up to 1 (one) year and fine which may extend up to ₹10,000 (Rupees Ten Thousand only), according to the respective sections of POW Act violated. Repeated conviction under the same provision is punishable with imprisonment for a term which shall not be less than 1 (one) month, but which may extend to 5 (five) years and fine which may extend to ₹25,000 (Rupees Twenty-Five Thousand only) under the POW Act.

#### **The Payment of Gratuity Act, 1972 (“Gratuity Act”)**

or incidental thereto at the time of termination of services. The Gratuity Act applies to employees engaged in establishments in which 10 (ten) or more persons are employed or were employed on any day of the preceding 12 (twelve) months; and as the Government of India may, by notification, specify, provided the employee has rendered his services for a period not less than 5 (five) years: (a) on his /her superannuation; (b) on his / her retirement or resignation; or (c) on his / her death or disablement due to accident or disease (in this case the minimum requirement of five years does not apply). The maximum gratuity exemption as per IT Act is ₹20,000 (Rupees Twenty Thousand only).

Any person who contravenes the provisions of the Gratuity Act would be punishable with imprisonment that can extend up to 2 (Two) years and fine which may extend up to ₹20,000 (Rupees Twenty Thousand only), according to the respective sections of the Gratuity Act violated.

#### **The Equal Remuneration Act, 1976 (“ER Act”)**

The ER Act was enacted to provide for the payment of equal remuneration to men and women workers and for the prevention of discrimination, on the ground of sex, against women in the matter of employment and for matters connected therewith or incidental thereto. The ER Act provides for setting up of Advisory committees to promote employment opportunities for women. Every Advisory Committee shall consist of not less than ten persons, to be nominated by the appropriate Government, of which one-half shall be women. Every employer should maintain such registers and other documents in relation to the workers employed by the employer in the prescribed manner given under the ER Act. Under the ER Act, no discrimination is permissible in recruitment and service conditions, except where employment of women is prohibited or restricted by law.

Any person who contravenes the provisions of the ER Act would be punishable with imprisonment that can extend up to 1 (one) year and fine which may extend up to ₹10,000 (Rupees Ten Thousand only), according to the respective sections of the ER Act violated.

#### **The Employees Compensation Act, 1923 (“EC Act”)**

The EC Act was enacted to provide for the payment by certain classes of employers to their employees of compensation for injury by accident. The term "employer" under the EC Act includes any body of persons whether incorporated or not and any managing agent of an employer and the legal representative of a deceased employer, and, when the services of an employee are temporarily lent or let on hire to another person by the person with whom the employee has entered into a contract of service or apprenticeship, means such other person while the employee is working for him. The employer is required to submit to the Commissioner for Employees' Compensation a report regarding any fatal or serious bodily injury suffered by an employee within 7 (seven) days of receiving a notice. Under the EC Act, the amount of compensation to be paid depends on the nature and severity of the injury.

#### **Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“POSH Act”)**

The POSH Act was enacted to provide protection against sexual harassment of women at workplace and for the prevention and redressal of complaints of sexual harassment and for matters connected therewith or incidental thereto. The POSH Act mandates every employer to provide a safe working environment at the workplace which shall include safety from the persons coming into contact at the workplace. The POSH Act provides that employers must formulate a policy against sexual harassment at workplace and that policy needs to be disseminated. The POSH Act defines 'sexual harassment' to include any unwelcome acts or a sexually determined behaviour (whether directly or by implication). 'Workplace' under the POSH Act has been defined very broadly to include government bodies, private and public sector organisations, non-governmental organisations, organisations carrying on commercial, vocational, educational, entertainment, industrial, financial activities, hospitals and nursing homes, educational institutes, sports institutions and any place visited by the employee arising out of or during the course of employment.

The POSH Act mandates for constitution of an Internal Complaints Committee by every employer of a workplace along with constitution of Local Complaints Committee” to receive complaints of sexual harassment from establishments where the Internal Committee has not been constituted due to having less than ten workers or if the complaint is against the employer himself. Where the employer contravenes the provisions of the POSH Act, he would be punishable with fine which may extend up to ₹50,000 (Rupees Fifty Thousand only).

#### **The Maternity Benefit Act, 1961 (“Maternity Benefit Act”)**

The Maternity Benefit Act was enacted to regulate the employment of women in certain establishment for certain period before and after childbirth and to provide for maternity benefit and certain other benefits and is applicable to establishments in which 10 (ten) or more persons are employed. The Maternity Benefit Act provides that a woman will be paid maternity benefit at the rate of her average daily wage in the 3 (three) months preceding her maternity leave, provided the woman has worked for the employer for at least 80 (eighty) days in the 12 (twelve)

months preceding the date of her expected delivery. The maximum period for which any woman shall be entitled to maternity benefit shall be 26 weeks, of which not more than eight weeks shall precede the date of her expected delivery. Entitlement of six weeks of paid leave is also applicable in case of miscarriage or medical termination of pregnancy.

In case of any contravention of the provisions of the Maternity Benefit Act or the rules made thereunder by the employer, he shall be punishable with imprisonment which may extend up to 1 (one) year, or with fine which may extend to ₹5,000/ (Rupees Five Thousand only), or with both.

### **Inter State Migrant Workmen (Regulation of Employment & Conditions of Service) Act, 1979 (“ISMW Act”)**

The ISMW Act was enacted to regulate the employment of inter-State migrant workmen and to provide for their conditions of service and for matters connected therewith. The ISMW Act applies to every principal employer and/or every contractor who employs or employed, 5 (five) or more inter-state migrant workmen (whether or not in addition to other workmen) on any day of the preceding twelve months. The ISMW Act also requires the principal employers and contractors to maintain registers with such details of the migrant workmen as may be prescribed.

Any violation of the provisions of the ISMW Act and Rules prescribed thereunder is imprisonment which may extend to one year or with fine which may extend to ₹1,000 (Rupees One Thousand only) or with both.

### **Child and Adolescent Labour (Prohibition and Regulation) Act, 1986 (“Child Labour Act”)**

The Child Labour Act was enacted to prohibit the engagement of children in all occupations and to prohibit the engagement of adolescents in hazardous occupations and processes and the matters connected therewith or incidental thereto. “Child” under the Child Labour Act means a person who has not completed his fourteenth year of age or such age as may be specified in the Right of Children to Free and Compulsory Education Act. Specifies that the employer has to mandatorily furnish certain information regarding employment of child labour to the inspector and maintain a register which would contain details regarding the child labourers. The Child Labour Act also provides for health and safety measures to be complied with by the employer.

### **Relevant Labour Welfare Fund Legislations (“LWF Acts”)**

In order to look after the welfare of the workers by providing financial assistance to the workers in case of need, the relevant state legislatures have enacted LWF acts exclusively focusing on welfare of the workers. LWF Acts usually provide for the constitution of a Labour Welfare Fund and for the establishment of a Labour Welfare Board for the financing of activities to promote welfare of labour in the relevant state and for conducting activities and for matters connected therewith.

### **The Occupational Safety, Health and Working Conditions Code, 2020**

The Occupational Safety, Health and Working Conditions Code, 2020 (enacted by the Parliament of India and assented to by the President of India) will come into force on such date as may be notified in the official gazette by the Central Government and different dates may be appointed for different provisions of the Occupational Safety, Health and Working Conditions Code, 2020. Once effective, it will subsume, inter alia, the Factories Act, 1948, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979, the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and the Contract Labour (Regulation & Abolition) Act, 1970.

### **The Code on Social Security, 2020 (“Social Security Code”)**

The Government of India enacted ‘The Code on Social Security, 2020’ which received the assent of the President of India. The provisions of this code will be brought into force on a date to be notified by the Central Government, with certain of the provisions thereunder notified already. The code proposes to subsume, inter alia, the Employee’s Compensation Act, 1923, the Employees’ State Insurance Act, 1948, the Employees’ Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961 and the Payment of Gratuity Act, 1972. The Ministry of Labour and Employment, Government of India has notified the draft rules relating to Employee’s



Compensation under the Code on Social Security, 2020 on June 3, 2021, inviting objections and suggestions, if any, from the stakeholders. Further, draft rules under the Code on Social Security, 2020 were notified on November 13, 2020. The draft rules propose to subsume, inter alia, the Employees' State Insurance (Central) Rules, 1950 and the Payment of Gratuity (Central) Rules, 1972.

### **Code of Wages, 2019**

The Code aims to consolidate the laws relating to wages and bonus and matters connected therewith or incidental thereto. It received the assent of President of India on August 08, 2019. The Code contains procedure for fixing minimum wage, limit for fines and deductions in wages, minimum and maximum bonus, calculation of allocable and available surplus, as well as gender neutral consideration in fixing wages. The Code has given the power to Central Government to fix a "floor wage" and the State governments cannot fix any minimum wage less than the "floor wage". It amalgamates and subsumes four imperative labour laws - the Payment of Wages Act, 1936; the Minimum Wages Act, 1948; the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. The date of implementation of the Code is yet to be notified.

## **C. TAX LAWS**

### **Income Tax Act, 1961**

The Income Tax Act, 1961 deals with the taxation of individuals, corporate, partnership firms and others. As per the provisions of this Act the rates at which they are required to pay tax is calculated on the income declared by them or assessed by the authorities, after availing the deductions and concessions accorded under the Act. The maintenance of Books of Accounts and relevant supporting documents and registers are mandatory under the Act. Filing of returns of Income is compulsory for all assesses. The maintenance of Books of Accounts and relevant supporting documents and registers are mandatory under the Act.

### **Maharashtra State Tax on Profession, Trades, Callings and Employment Act, 1976**

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional taxes are classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under this Act (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority.

### **The Central Goods and Services Tax Act, 2017**

The Act received assent of the President on 12th April 2017 and came into force from 1st July 2017. Goods and Service Tax (GST) is an indirect tax levied on the supply of goods and services. This law has replaced many indirect tax laws that previously existed in India such as Service tax, Central Excise Act, Entry Tax, Octroi, Additional customs duty and other draconian indirect taxes. There are 3 taxes applicable under this system- CGST, SGST, IGST.

**CGST:** is collected by the Central Government on an intra-state sale;

**SGST:** Collected by the State Government on an intra-state sale;

**IGST:** Collected by the Central Government for inter-state sale.

Therefore, in addition to the CGST Act, the company has to comply with the requirements of State GST laws as well in which it has operations.

### **Maharashtra Goods and Services Tax Act, 2017**

This Act has been enacted to make a provision for levy and collection of tax on intra-State supply of goods or services or both by the State of Maharashtra except on liquor. This act repealed Maharashtra Value Added Tax Act, 2002 and other indirect local Acts. This Act mandates every supplier making a taxable supply of goods or services or both in the State of Maharashtra to take registration if his annual turnover exceeds ₹40 Lakh.

#### **D. INTELLECTUAL PROPERTY LAWS**

##### **The Trademarks Act, 1999 (“Trademarks Act”)**

Trademarks enjoy protection under both statutory and common law and Indian trademark law permits the registration of trademarks for both goods and services. The Trademarks Act governs the statutory protection of trademarks and the prevention of the use of fraudulent marks in India. Under the provisions of the Trademarks Act, an application for trademark registration may be made before the Trademark Registry by any person claiming to be the proprietor of a trademark, whether individual or joint applicants, and can be made on the basis of either actual use or intention to use a trademark in the future. Once granted, a trademark registration is valid for 10 years unless cancelled, subsequent to which, it can be renewed. If not renewed, the mark lapses and the registration are required to be restored. The Trademarks Act prohibits registration of deceptively similar trademarks and provides for penalties for infringement, falsifying and falsely applying trademarks. Further, pursuant to the notification of the Trademark (Amendment) Act, 2010 simultaneous protection of trademark in India and other countries has been made available to owners of Indian and foreign trademarks. The Trademarks Rules, 2017 have subsequently been enacted and implemented, which have overhauled the regime with respect to assignment and transmission, statement of use, well known trademarks, opposition proceedings, etc.

## OUR HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was originally formed as a Partnership Firm pursuant to Deed of Partnership dated April 05, 2001 in the name and style of “**TECHNO GREEN ENVIRONMENTAL SOLUTIONS**”, thereafter the firm got registered under the Partnership Act, 1932 (“Partnership Act”) having Firm Registration Number BA-81287 in the name and style of “**TECHNOGREEN ENVIRONMENTAL SOLUTIONS**” dated September 17, 2001. The firm was thereafter converted from Partnership Firm to a Public Limited Company under Part I of Chapter XXI of the Companies Act, 2013 with the name and style of “**TECHKNOWGREEN SOLUTIONS LIMITED**” and received a Certificate of Incorporation from the Registrar of Companies, Central Registration Centre dated January 02, 2023. The Company’s Corporate Identity Number is U90000PN2023PLC217501.

Ajay Ramakant Ojha, Prasad Rangrao Pawar, Aniket Vijay Kadam Amit Shankar Chikane, Nikhil Laxman Kane, Kiran Bhagwat Shinde and Shaikh Mohammad Nadeem were the initial subscribers to the Memorandum of Association of our Company.

We are environmental consulting company with 20+ years of experience, headquartered in Pune, India. Our key offerings include Consulting – Regulatory | Sustainability, Technology – Execution | Info Tech and Research – Policy | Engineering. We are one of the first companies in India providing environmental IT solutions through cutting-edge software applications and compliance solutions. We have diverse experience in handling complex projects across various industries like infrastructure, chemical, automobile, healthcare, manufacturing, real estate and national/state governments. Our client base includes government, MNCs, large companies, mid-size companies and SMEs.

For information on our Company’s profile, activities, products, market, growth, technology, managerial competence, standing with reference to prominent competitors, major vendors and suppliers, please refer the section titled “*Our Business*”, “*Industry Overview*”, “*Our Management*”, “*Restated Financial Statements*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 104, 87, 124, 150 and 179 respectively of this Draft Prospectus.

### **CHANGES IN REGISTERED OFFICE OF THE COMPANY SINCE INCORPORATION**

Registered Office of the Company is presently situated at Flat-202, Hem Opal Apartment, Plot No. 26, Ekta Park Society, Wakdewadi, Pune – 411003, Maharashtra. There has been no change in the registered office of our Company since its Incorporation.

### **OUR MAIN OBJECTS**

Clause	Description
III (A) 1.	<i>To carry on the business of providing consulting services in almost every realm of environment &amp; infrastructure planning, solutions to every problem of environment &amp; climate change, which are both environmentally as well as economically feasible. Consulting includes &amp; shall not be limited to due diligence, techno-legal opinion, regulatory compliance across India &amp; abroad across environmental &amp; climate change regimes and sustainability concepts as well as sustainability reporting.</i>
III (A) 2.	<i>To provide environmental IT based solutions with compliance software &amp; App's. Application of AI, IoT &amp; Robotics to address environmental as well as climate change problems with setting up of such pilot scale &amp; other related operations to demonstrate its success. Carryout research, education, training &amp; awareness / sensitization in fields of environment &amp; climate change to advocate policy research &amp; create decision support systems.</i>
III (A) 3.	<i>To carry out consulting, research &amp; turnkey assignments such as DPRs, technology screening, scale ups &amp; engineering for water &amp; wastewater treatment, river &amp; nalla treatment / rejuvenation, solid waste management, air pollution control system, waste to energy projects, green buildings, climate resilience &amp; others</i>
III (A) 4.	<i>Special capacity building programs for corporate upliftment &amp; regulatory bodies such as State Pollution Control Board including designing strategies for Corporate Social / Environmental Responsibility, for all environmental related services.</i>

III (A) 5. To carry on the business, whether within or outside India, of collection, segregation, transportation, trading, processing, composting, recycling, treatment and disposal of all types of waste (whether solid, liquid or gaseous substances) and including municipal solid waste, electronic waste (e- waste), construction and demolition debris, bio-medical waste, hazardous waste, sewage, waste water etc. Undertake use, sale, marketing and/or distribution of all products and by-products that are generated in the process of treatment or disposal of waste and waste products (such as compost, energy and refuse derived fuel generated from waste to energy processes such as bio-methanation etc. methane gas from landfill, processing, electronic products suitable for re-use with or without re-furbishing paper, metals and other materials including chemicals obtained from treatment of wastes) and to develop, construct, operate and/or maintain/manage processing facilities for all types of waste and waste products including composting plants, landfills and sewages treatment plants, waste water treatment plants, incinerators, refuse derived field plants, electronic waste processing plants and to also undertake development, marketing, purchase, sale and/or trading of financial instruments that would enable the financing of waste collection, treatment or processing projects (including carbon emission receipts (CERs), legal consulting services and any other related activities.

#### CHANGES IN MEMORANDUM OF ASSOCIATION

Except as stated below, there has been no change in the Memorandum of Association of our Company since its Incorporation:

Date of Meeting	Type of Meeting	Amendments
May 02, 2023	EGM	<b><u>Alteration in Capital Clause:</u></b> The Authorised Share Capital of the Company has been increased from ₹ 5,50,00,000/- divided into 55,00,000 Equity Shares of ₹10/- each to ₹ 10,00,00,000/- divided into 1,00,00,000 Equity Shares of ₹10/- each

#### MAJOR EVENTS AND MILESTONES

The table below sets forth some of the major events and milestones in the history of our Company:

Calendar Year	Event/ Milestone
2001	Formed as a Partnership Firm in the name and style of “ <b>Techno Green Environmental Solutions</b> ” registered under the Partnership Act, 1932 in the name and style of “ <b>Technogreen Environmental Solutions</b> ”
2009	First International project in Sudan – packaged effluent treatment
2010	Project of Swedish International Development Cooperation Agency (SIDA) & SMHI for Air Pollution Management Supported Ministry of Earth Sciences to create Cleaner Air for CWG through IITM
2017	Pioneered in designing first ever virtual chimney for controlling air pollution at traffic junctions
2018	MOU signed with a Company in Saudi Arabia to provide licensing and technical know-how.
2019	MOU signed with Indian constructions for Delhi Jal Board projects
2020	Technology Transfer of Intellectual Property Rights - KNOWHOW – Phytorid-SWAB [Phytorid – Scientific Wetlands with Active Biodegradation] from CSIR-NEERI for 5 years MOU signed with India based engineering PSU to provide consulting services for wastewater treatment plant projects in India and abroad, including feasibility reports, project reports, and project management consultancy.
2021	E-catalyst and ROCO software application build for Maharashtra Pollution Control Board
2022, 2023	MOU signed with US based funds to prepare micro level planning for air quality improvement in hotspots through scientific investigation of air pollution sources, use of sensors for performance evaluation, creating emission inventory, demonstrating, mobile air quality monitoring system & finally preparing executable air quality improvement that can be easily repeated at all such hotspots throughout India
2022	Developed environmental compliance software and beta version deployed in 10+ location

2023	Technology Approval for Demonstration of Yuka Yantra by MPCB, GoM
2023	Conversion of Partnership Firm into Private Limited Company in the name and style of “ <b>Techknowgreen Solutions Limited</b> ”

#### KEY AWARDS, ACCREDITATIONS, OR RECOGNITIONS

Calendar Year	Awards Accreditations/ Recognitions
2008	Certificate of Recognition awarded to Dr. Ajay Ojha by USAID for Efforts to Change the Life of People in Asia
2013	IGBC (India’s Green Building Council) award in environment & infrastructure planning sector for green building consultancy firm
2014	ISO 9001-2015 registered firm
2020	Intellectual Property Rights - KNOWHOW – Phytoid-SWAB [Phytoid – Scientific Wetlands with Active Biodegradation] from CSIR-NEERI for 5 years
2021	NABET Accredited

#### Empanelment

- Registered with Government- E- Marketing portal (GEM)
- Empanelment as consultant for statutory approval, environmental clearance, forest permissions, MPCB, railway & EIA study, for PWD Pune and Kolhapur circle
- Empanelment with Govt. of Maharashtra Environment Department (State Knowledge Management Centre on Climate Change (SKMCCC) since 2019
- Empanelment as consultant for STP for PWD Pune circle
- Empanelment in Nashik Zilla Parishad as consultant for DPR & PMC consultant

#### OUR HOLDING COMPANY

As on the date of this Draft Prospectus, the Company does not have any holding company.

#### OUR SUBSIDIARY, ASSOCIATES AND JOIN VENTURE

As on the date of this Draft Prospectus, the Company does not have any subsidiary, associate companies or joint ventures.

#### ACQUISITION OF BUSINESSES/ UNDERTAKINGS, MERGER, AMALGAMATION OR REVALUATION OF ASSETS IN LAST 10 YEARS

Our Company has not made any material acquisitions or divestments of any business, and has not undertaken any mergers, amalgamation or revaluation of assets in the last ten years

#### STRATEGIC OR FINANCIAL PARTNERSHIPS

As on the date of this Draft Prospectus, Our Company does not have any strategic or financial partnerships.

#### TIME AND COST OVERRUNS IN SETTING UP PROJECTS

There has been no time / cost overrun in setting up projects by our Company.

#### OTHER DETAILS ABOUT OUR COMPANY

For details of our Company’s activities, services, growth, awards & recognitions, , technology, marketing strategy, competition and our customers, please refer section titled “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and “*Basis for Issue Price*” on pages 104, 179 and 80 respectively of this Draft Prospectus. For details of our management and managerial competence and for

details of shareholding of our Promoter, please refer to sections titled “*Our Management*” and “*Capital Structure*” beginning on page 124 and 60 of the Draft Prospectus respectively.

#### **DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/BANKS**

There have been no defaults or rescheduling of borrowings with any financial institutions/ banks as on the date of the Draft Prospectus.

#### **SHAREHOLDERS AGREEMENTS**

There are no subsisting shareholder’s agreements among our shareholders in relation to our Company, to which our Company is a party or otherwise has notice of the same as on the date of the Draft Prospectus.

#### **OTHER AGREEMENTS**

The share subscription agreement was executed on June 21, 2023, by and between the following:

- i. Our Company and Payal Manish Agarwal for the issue of 1,02,750 Equity Shares of face value of ₹10/- each at price of ₹73/- each.
- ii. Our Company and Aarhaat Trade-Com Private Limited for the issue of 68,500 Equity Shares of face value of ₹10/- each at price of ₹73/- each.
- iii. Our Company and Saint Capital Fund for the issue of 1,71,216 Equity Shares of face value of ₹10/- each at price of ₹73/- each.

#### **AGREEMENT WITH KEY MANAGERIAL PERSONNEL OR DIRECTORS OR PROMOTER OR ANY OTHER EMPLOYEE OF THE COMPANY**

As on the date of this Draft Prospectus, there are no agreements entered into by a Key Managerial Personnel or Director or Promoter or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

#### **DETAILS OF GUARANTEES GIVEN TO THIRD PARTIES BY OUR PROMOTER**

Our Company has availed loans in the ordinary course of business, where our Promoters Ajay Ramakant Ojha, Prasad Rangrao Pawar and promoter group Monali Pawar have provided personal guarantee in relation to certain loans availed by our Company. Except as stated, none of our promoters have given any guarantee to any third party, as on the date of this Draft Prospectus

#### **OTHER MATERIAL AGREEMENTS**

As on the date of this Draft Prospectus, our Company has not entered into any material agreements other than in the ordinary course of business carried on by our Company. Further, we confirm that except as disclosed in this Draft Prospectus, there are no other inter-se agreements or arrangements entered into by and amongst any of the Promoters or Shareholders to which the Company is a party, or agreements of like nature, or agreements comprising material clauses/covenants that are required to be disclosed in this Draft Prospectus. Furthermore, we confirm that there are no agreements which contain clauses/covenants that shall continue to be available to any Shareholders post listing of the Equity Shares on the Stock Exchange, which are adverse/prejudicial to the interest of minority/public shareholders.

For details on business agreements of our Company, please refer to the section titled ‘*Our Business*’ beginning on page 104 of this Draft Prospectus.

## OUR MANAGEMENT

### Board of Directors

Under our Articles of Association, we are required to have not less than three directors and not more than 15 (fifteen) Directors. As on the date of this Draft Prospectus, we have 6 (six) Directors on our Board. Set forth below are details regarding our Board as on the date of this Draft Prospectus:

Name, Designation, Address, Date of Birth, Age, Occupation, Appointment Term of Directorship and DIN	Other Directorships
<p><b>AJAY RAMAKANT OJHA</b></p> <p>Designation: Managing Director.</p> <p>Address: 202, Hem Opal, 2<sup>nd</sup> Floor, 26, Ekta Park Society, Wakdewadi, Near Joshi Wadewala Lane, Pune – 411003, Maharashtra, India</p> <p>Date of Birth: December 07, 1976</p> <p>Age: 46 years</p> <p>Occupation: Business</p> <p>Date of Appointment: Since incorporation i.e. January 02, 2023</p> <p>Term: Appointed for a period of 5 years with effect from January 02, 2023</p> <p>Nationality: Indian</p> <p>DIN: 03549762</p>	<p><b>Companies:</b> Nil</p> <p><b>LLPs:</b> Nil</p>
<p><b>PRASAD RANGRAO PAWAR</b></p> <p>Designation: Executive Director &amp; Chief Executive Officer</p> <p>Address: 44/A/1, Flat No. C-103, Dew Drops Alandi Road, Vishrantwadi, Pune City, Dhanori, Pune – 411015, Maharashtra, India</p> <p>Date of Birth: December 02, 1977</p> <p>Age: 45 years</p> <p>Occupation: Service</p> <p>Date of Appointment: Since incorporation i.e. January 02, 2023</p> <p>Term: Liable to Retire by rotation</p> <p>Nationality: Indian</p> <p>DIN: 02033491</p>	<p><b>Companies:</b> Nil</p> <p><b>LLPs:</b> Nil</p>

<p><b>ANIKET VIJAY KADAM</b></p> <p>Designation: Executive Director &amp; Chief Financial Officer</p> <p>Address: Apurva Disha School Marg, Plot No. 78, Sector 8-A, Near Jain Temple, CBD Belapur, Navi Mumbai, Thane – 400614, Maharashtra, India</p> <p>Date of Birth: October 19, 1981</p> <p>Age: 41 years</p> <p>Occupation: Business</p> <p>Date of Appointment: Since incorporation i.e. January 02, 2023</p> <p>Term: Liable to Retire by rotation</p> <p>Nationality: Indian</p> <p>DIN: 05010202</p>	<p><b>Companies:</b> Nil</p> <p><b>LLPs:</b> Nil</p>
<p><b>KUNTAL JITENDRA DAVE</b></p> <p>Designation: Non-Executive Independent director</p> <p>Address: 3802, 38th Floor, India bulls Sky, Senapati Bapat Marg, Elphinstone, Jupiter Mill Compound, Delisle Road, Mumbai- 400 013</p> <p>Date of Birth: October 10, 1970</p> <p>Age: 52 Years</p> <p>Occupation: Business</p> <p>Date of Appointment: March 11, 2023</p> <p>Term: For the period of 5 years with effect from, March 11, 2023</p> <p>Nationality: Indian</p> <p>DIN: 00309275</p>	<p><b>Companies:</b></p> <ol style="list-style-type: none"> <li>1. Paaryal Fintech Services Private Limited</li> <li>2. K and Y Consultants Private Limited</li> </ol> <p><b>LLPs:</b> Nil</p>
<p><b>VINAYAK DATTATRAYA KELKAR</b></p> <p>Designation: Non-Executive Independent director</p> <p>Address: 302, Kanchangauri Apartment, Kanchangalli, Off ILS College Road, Pune – 411004</p> <p>Date of Birth: August 14, 1957</p> <p>Age: 65 Years</p> <p>Occupation: Business</p>	<p><b>Companies:</b> Nil</p> <p><b>LLPs:</b> Nil</p>



<p>Date of Appointment: March 11, 2023</p> <p>Term: For the period of 5 years with effect from, March 11, 2023</p> <p>Nationality: Indian</p> <p>DIN: 10048658</p>	
<p><b>RONITA GHOSH</b></p> <p>Designation: Non-Executive Independent director</p> <p>Address: B-336, 2<sup>nd</sup> Floor, Chittaranjan Park, South Delhi – 110019</p> <p>Date of Birth: December 12, 1980</p> <p>Age: 42 Years</p> <p>Occupation: Business</p> <p>Date of Appointment: March 11, 2023</p> <p>Term: For the period of 5 years with effect from, March 11, 2023</p> <p>Nationality: Indian</p> <p>DIN: 09240267</p>	<p><b>Companies:</b></p> <ol style="list-style-type: none"> <li>1. Jikoni Foundation</li> <li>2. World Chamber for Social Business</li> </ol> <p><b>LLPs:</b> Nil</p>

#### Relationship between our Directors

None of the directors are related to each other.

#### Brief Profile of our Directors

**Ajay Ramakant Ojha**, aged 46 years is the Promoter and Managing Director on the Board of our Company. He holds degree of Doctor of Philosophy (Science) in Chemistry, Masters of Environmental Science and Bachelors in Science from University of Mumbai. He was a member of strategic committee for Pollution reduction from two stroke 3wheeler engines constituted under the order of Hon'ble NGT through MPCB. He has been associated with the Company since inception and has over 23 years of experience in the industry. He is a visionary entrepreneur and has played a pivotal role in setting up business of our Company. He primarily looks after the overall business operations of the Company including formulation of policies for the business development. Under his guidance our Company has witnessed continuous growth.

**Prasad Rangrao Pawar**, aged 45 years, is the Promoter, Executive Director & Chief Executive Officer of our Company. He holds a Master of Environmental Management Degree from Shivaji University, Kolhapur and Bachelors in Science from Pune University. He has been associated with the Company since inception. He has been appointed as Chief Executive Officer with effect from March 11, 2023. He has approximately 23 Years of experience in environmental industry. He is responsible for handling the Government Department & Authorities for permission regarding project related activities, makes decision for the company, do Technical & Financial Planning and Explore newer potentials for business, overall execution of the projects.

**Aniket Vijay Kadam**, aged 41 years is the Executive Director and Chief Financial Officer of Our Company. He holds a Bachelor of Engineering from University of Mumbai and completed his MBA – Retail Management & Marketing from Institute for Technology & Management, Navi Mumbai. He has more than 2 years of experience in the industry of Construction and Real Estate, etc. He has been associated with Knight Frank LLP as an Assistant Manager He has been associated with the Company since inception. He has been appointed as Chief Financial

Officer with effect from March 11, 2023. He is responsible for handling marketing and also looks after the finance and accounting matters of the Company.

**Kuntal Jitendra Dave**, aged 52 years is the Non-Executive Independent Director on the Board of Our Company. He is a qualified Chartered Accountant from ICAI and hold certificate of Practice. He has more than 25 years of experience post qualification in the field of Financial Management, Advisory on various statutes (viz. Income Tax Act, Companies Act, FEMA, SEBI). Valuation, Corporate Restructuring planning etc. He has been associated with our Company as Non-Executive Independent Director since March 11, 2023.

**Vinayak Dattatraya Kelkar**, aged 65 years is the Non-Executive Independent Director on the Board of Our Company. He holds a degree of Master of Science in Botany from University of Poona, Master's Diploma in Business Administration from Institute of Management Development & Research, Poona and LLB from University of Poona. He has around 16 years of experience as a Lead corporate sustainability at Praj Industries Limited. He has been associated with our Company as Non-Executive Independent Director since March 11, 2023.

**Ronita Ghosh**, aged 42 years is the Non-Executive Independent Director on the Board of Our Company. She has completed MBA in Global Business & Sustainability (Social Entrepreneurship Track) from Tanzania University College, The Catholic University of Eastern Africa and Bachelors in Arts, (History Honours) from Delhi University. She has been associated with our Company as Non-Executive Independent Director since March 11, 2023.

#### **Further Confirmations:**

- There are no arrangements or understanding with major shareholders, customers, suppliers, or others, pursuant to which any of the Directors were selected as a Director.
- There are no service contracts entered into by the Directors with our Company providing for benefits upon termination of employment.
- None of the Directors is declared as wilful defaulters by the RBI or any bank or financial institution or consortium thereof.
- None of our Promoters or Directors of our Company are declared Fugitive Economic Offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.
- None of our Directors is or was a director of any listed company during the last five years preceding the date of this Draft Prospectus, whose shares have been or were suspended from being traded on the Stock Exchange(s), during the term of their directorship in such company.
- None of our Directors is or was a director of any listed company during the last five years preceding the date of this Draft Prospectus, whose shares have been or were suspended from being traded on the Stock Exchange(s), during the term of their directorship in such company.
- None of the Promoters, Persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
- No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms of companies in which they are interested by any person either to induce him to become or to help him qualify as a Director, or otherwise for services rendered by him or by the firm or company in which he is interested, in connection with the promotion or formation of our Company.
- No proceedings/ investigations have been initiated by SEBI against any company, the board of directors of which also comprises any of the Directors of our Company. No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms of companies in which they are interested by any person either to induce him to become or to help him qualify as a Director, or otherwise

for services rendered by him or by the firm or company in which he is interested, in connection with the promotion or formation of our Company.

**Compensation and benefits to the Chairman & Managing Director and Whole Time Director are as follows**

Name	Ajay Ramakant Ojha	Prasad Rangrao Pawar	Aniket Vijay Kadam
<b>Designation</b>	Managing Director	Executive Director & Chief Executive Officer	Executive Director & Chief Financial Officer
<b>Date of Appointment/Change in Designation</b>	He was appointed as a Promoter- Managing Director of the Company since incorporation of the company i.e. January 02, 2023.	He was appointed as a Promoter- Executive Director of the Company since incorporation of the company i.e. January 02, 2023. Later, he has been appointed as Chief Executive Officer with effect from March 11, 2023.	He was appointed as a Executive Director of the Company since incorporation of the company i.e. January 02, 2023. Later, he has been appointed as Chief Financial Officer with effect from March 11, 2023.
<b>Period</b>	5 (Five) years w.e.f. January 02, 2023.	Liable for retire by rotation	Liable for retire by rotation
<b>Salary</b>	₹ 2.50 Lakh pm	₹ 2.50 Lakh pm	₹ 2.50 Lakh pm
<b>Bonus</b>	-	-	-
<b>Perquisite/Benefits</b>	Free furnished accommodation, reimbursement of medical expenses and actual travelling expenses, Mediclaim Insurance upto ₹ 1.00 Lakh p.a., Car, Phone and PC expenses used for official purpose. Other Benefits like Gratuity, Provident Fund and leave as applicable to employees	-Free furnished accommodation, reimbursement of medical expenses and actual travelling expenses, Mediclaim Insurance upto ₹ 1.00 Lakh p.a., Car, Phone and PC expenses used for official purpose. Other Benefits like Gratuity, Provident Fund and leave as applicable to employees	-Free furnished accommodation, reimbursement of medical expenses and actual travelling expenses, Mediclaim Insurance upto ₹ 1.00 Lakh p.a., Car, Phone and PC expenses used for official purpose. Other Benefits like Gratuity, Provident Fund and leave as applicable to employees
<b>Commission</b>	-Not exceeding 1% of net profit	-Not exceeding 1% of net profit	-Not exceeding 1% of net profit
<b>Compensation/remuneration paid during the F.Y. 2022-23 (Rs. In Lakh)</b>	12.47	9.62	Nil

**Sitting fees payable to Non-Executive Directors**

The Board of Directors in its meeting held on March 11, 2023, considered and approved the sitting fees amounting to ₹40,000 for every meeting of the Board of Directors and ₹20,000 for every meeting of the Committees attended, payable to Non-Executive Directors of the Company with immediate effect.

**Bonus or Profit-Sharing Plan of the Directors**

None of our Directors are party to any bonus or profit-sharing plan of our Company.

### Shareholding of Directors in our Company

Our Articles of Association do not require our Directors to hold qualification shares. As on date of the Draft Prospectus, our Directors hold the following number of Equity Shares of our Company:

Sr. No.	Name of shareholder	No. of Equity Shares	% of Issued Capital
1.	Ajay Ramakant Ojha	24,20,725	44.51
2.	Prasad Rangrao Pawar	24,20,721	44.51
3.	Aniket Vijay Kadam	2,54,814	4.69
4.	Kuntal Jitendra Dave	Nil	-
5.	Ronita Ghosh	Nil	-
6.	Vinayak Dattatraya Kelkar	Nil	-

### Interest of Directors

- a. Our Independent Directors may be deemed to be interested to the extent of sitting fees payable to them for attending meetings of our Board and Committees thereof and reimbursement of expenses available to them and commission payable to them as approved by our Board. All our Non-Executive Non-Independent Directors and Executive Directors may be deemed to be interested to the extent of other remuneration and reimbursement of expenses payable to them.
- b. Our Promoters may be deemed to be interested in the promotion or formation of our Company. Our Directors may also be regarded as interested in the Equity Shares held by them, if any (together with dividends and any other distributions in respect of such Equity Shares).
- c. Further, none of our Directors have any interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery.
- d. No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which any of our Directors are interested, by any person, either to induce him to become, or to qualify him as, as a Director, or otherwise for services rendered by our Directors or by the firm or company in which they are interested, in connection with the promotion or formation of our Company.
- e. Except as disclosed in “*Restated Financial Statements*” beginning on page 150 and as disclosed in this section, none of our Directors have any interest in our business.
- f. Further, except as disclosed in “*Restated Financial Statements*” beginning on page 150, no loans have been availed by our Directors from our Company.

### Changes in our Board during the Last Three Years

Except as disclosed below, there have been no changes in our Board during the last three years:

Name of Director	Date of change	Reason
Ajay Ramakant Ojha	January 02, 2023	Appointment as a Managing Director
Prasad Rangrao Pawar	January 02, 2023	Appointment as an Executive Director
Aniket Vijay Kadam	January 02, 2023	Appointment as an Executive Director
Kuntal Jitendra Dave	March 11, 2023	Appointment as a Non-Executive Independent Director
Ronita Ghosh	March 11, 2023	Appointment as a Non-Executive Independent Director
Vinayak Dattatraya Kelkar	March 11, 2023	Appointment as a Non-Executive Independent Director

## **Borrowing Powers of our Board**

Our Articles of Association, subject to applicable law, authorize our Board to raise or borrow money or secure the payment of any sum of money for the purposes of our Company. Pursuant to a resolution passed by our shareholders at their meeting held on March 23, 2023, our shareholders have authorized our Board to borrow any sum of money from time to time notwithstanding that the sum or sums so borrowed together with the monies, if any, already borrowed by the company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the paid up capital and free reserves of the Company provided such amount does not exceed ₹50 Crores (Rupees Fifty Crores Only) in excess of its paid up capital and free reserves which may have not been set apart for any purpose.

## **Corporate Governance**

The provisions of the SEBI (LODR) Regulations with respect to corporate governance will also be applicable to our Company immediately upon the listing of our Equity Shares with the Stock Exchange. Our Company is in compliance with the requirements of the applicable regulations, including the SEBI (LODR) Regulations, the SEBI (ICDR) Regulations and the Companies Act, 2013 in respect of corporate governance including constitution of the Board and committees thereof.

Our Board has been constituted in compliance with the Companies Act and SEBI (LODR) Regulations, to the extent applicable. Our Board functions either as a full board or through various committees constituted to oversee specific functions. In compliance with the requirements of the Companies Act and the SEBI (LODR) Regulations, to the extent applicable our Board of Directors consists of 6 (six) Directors (including one-woman Director) of which three are Non-Executive Independent Directors which is in compliance with the requirements of Regulation 17 of SEBI (LODR) Regulations.

## **Committees of our Board**

Our Board has constituted the following committees including those for compliance with corporate governance requirements:

### **A. Audit Committee**

Our Audit Committee was constituted pursuant to a resolution of our Board dated May 08, 2023. The Audit Committee comprises:

<b>Name of Director</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
Vinayak Dattatraya Kelkar	Chairman	Non-Executive Independent Director
Ronita Ghosh	Member	Non-Executive Independent Director
Prasad Rangrao Pawar	Member	Executive Director

The Company Secretary of the Company shall act as the Secretary of the Audit Committee.

Set forth below are the scope, functions, and the terms of reference of our Audit Committee, in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulations.

#### *(i) Powers of Audit Committee*

The Audit Committee shall have powers, including the following:

- (a) To investigate any activity within its terms of reference;
- (b) To seek information from any employee of the Company;
- (c) To obtain outside legal or other professional advice;
- (d) To secure attendance of outsiders with relevant expertise, if it considers necessary; and
- (e) Such powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

#### *(ii) The role of the Audit Committee shall include the following:*

- (a) Oversight of the Company's financial reporting process, examination of the financial statement and the auditors' report thereon and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (b) Recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of auditors, including the internal auditor, cost auditor if required and statutory auditor, of the Company and the fixation of audit fee;
- (c) Approval of payments to statutory auditors for any other services rendered by the statutory auditors of the Company and the fixation of the audit fees;
- (d) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - (i) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act;
  - (ii) Changes, if any, in accounting policies and practices and reasons for the same;
  - (iii) Major accounting entries involving estimates based on the exercise of judgment by the management of the Company;
  - (iv) Significant adjustments made in the financial statements arising out of audit findings;
  - (v) Compliance with listing and other legal requirements relating to financial statements;
  - (vi) Disclosure of any related party transactions; and
  - (vii) Qualifications / modified opinion(s) in the draft audit report.
- (e) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- (f) Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- (g) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (h) Formulating a policy on related party transactions, which shall include materiality of related party transactions;
- (i) Approval or any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;
- (j) Review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;
- (k) Scrutiny of inter-corporate loans and investments;
- (l) Valuation of undertakings or assets of the company, wherever it is necessary;
- (m) Evaluation of internal financial controls and risk management systems;
- (n) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (o) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (p) Discussion with internal auditors of any significant findings and follow up there on;
- (q) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- (r) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (s) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (t) Recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;
- (u) Reviewing the functioning of the whistle blower mechanism;
- (v) Approval of the appointment of the Chief Financial Officer of the Company ("CFO") (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc., of the candidate;

- (w) Carrying out any other functions as provided under the Companies Act, the SEBI Listing Regulations and other applicable laws;
- (x) To formulate, review and make recommendations to the Board to amend the Audit Committee charter from time to time;
- (y) Monitoring the end use of funds through public issue and related matters;
- (z) Overseeing a vigil mechanism established by the Company, providing for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee for directors and employees to report their genuine concerns or grievances; and
- (aa) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- (bb) Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision;
- (cc) Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders; and.
- (dd) Such roles and functions as may be prescribed under the Companies Act and SEBI Listing Regulations.

(iii) *The Audit Committee shall mandatorily review the following information:*

- (a) Management's discussion and analysis of financial condition and results of operations;
- (b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management of the Company;
- (c) Management letters/letters of internal control weaknesses issued by the statutory auditors of the Company;
- (d) Internal audit reports relating to internal control weaknesses;
- (e) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee;
- (f) Statement of deviations:
  - i. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations; and
  - ii. annual statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice in terms of Regulation 32(7) of the SEBI Listing Regulations; and
- (g) review the financial statements, in particular, the investments made by any unlisted subsidiary.

As required under Regulation 18 of the SEBI (LODR) Regulations, the Audit Committee shall meet at least four times in a year, and not more than four months shall elapse between two meetings. The quorum shall be two members present, or one-third of the members, whichever is greater, provided that there should be a minimum of two independent members present.

## **B. Stakeholders' Relationship Committee**

The Stakeholders' Relationship Committee was constituted by a resolution of our Board dated May 08, 2023. The Stakeholders' Relationship Committee comprises:

<b>Name of Director</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
Vinayak Dattatraya Kelkar	Chairman	Non-Executive Independent Director
Ronita Ghosh	Member	Non-Executive Independent Director
Prasad Rangrao Pawar	Member	Executive Director

The Company Secretary of the Company shall act as the Secretary of the Stakeholders' Relationship Committee.

Set forth below are the terms of reference of our Stakeholders' Relationship Committee:

- (i) Considering and looking into various aspects of interests of shareholders, debenture holders and other security holders;
- (ii) Redressal of all security holders' and investors' grievances such as complaints related to transfer of shares or debentures, including non-receipt of share or debenture certificates, issue of new/duplicate certificates and review of cases for refusal of transfer/transmission of shares and debentures, non-receipt of balance sheet,

- non-receipt of declared dividends, non-receipt of annual reports, general meetings, etc., and assisting with quarterly reporting of such complaints;
- (iii) Reviewing of measures taken for effective exercise of voting rights by shareholders;
  - (iv) Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
  - (v) Giving effect to all allotment, transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;
  - (vi) Reviewing the measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
  - (vii) Reviewing the adherence to the service standards by the Company with respect to various services rendered by the registrar and transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services;
  - (viii) Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority.

### C. Nomination and Remuneration Committee

The Nomination and Remuneration Committee was constituted by our Board on May 08, 2023. The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and the SEBI (LODR) Regulations. The Nomination and Remuneration Committee include the following:

Name of Director	Status in Committee	Nature of Directorship
Ronita Ghosh	Chairperson	Non-Executive Independent Director
Vinayak Dattatraya Kelkar	Member	Non-Executive Independent Director
Kuntal Jitendra Dave	Member	Non-Executive Independent Director

The Company Secretary of the Company shall act as the Secretary of the Nomination and Remuneration Committee.

The scope, functions and the terms of reference of the Nomination and Remuneration Committee is in accordance with the Section 178 of the Companies Act, 2013 read with Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Set forth below are the terms of reference of our Nomination and Remuneration Committee.

- (a) To be responsible for identifying and nominating, for the approval of the Board and ultimately the shareholders, candidates to fill Board vacancies as and when they arise as well as putting in place plans for succession, in particular with respect to the Chairman of the Board and the Chief Executive Officer;
- (b) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

- (i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
  - (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - (iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
- (c) Formulation of criteria for evaluation of performance of independent directors and the Board;
  - (d) Devising a policy on Board diversity;



- (e) Identifying persons who are qualified to become directors of the Company and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The Company shall disclose the remuneration policy and the evaluation criteria in its annual report;
- (f) Analysing, monitoring and reviewing various human resource and compensation matters;
- (g) Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
- (h) Recommending the remuneration, in whatever form, payable to the senior management personnel and other staff (as deemed necessary);
- (i) Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
- (j) Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- (k) Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (the "SBEB Regulations"), as may be amended from time to time;
- (l) For every appointment of an independent director, evaluate the balance of skills, knowledge, and experience on the board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the committee may (a) use the services of an external agencies, if required; (b) consider candidates from a wide range of backgrounds, having due regard to diversity; and (c) consider the time commitments of the candidates;
- (m) Administering any employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the terms of such scheme/plan ("**ESOP Scheme**") including the following:
  - i. Determining the eligibility of employees to participate under the ESOP Scheme;
  - ii. Determining the quantum of option to be granted under the ESOP Scheme per employee and in aggregate;
  - iii. Date of grant;
  - iv. Determining the exercise price of the option under the ESOP Scheme;
  - v. The conditions under which option may vest in employee and may lapse in case of termination of employment for misconduct;
  - vi. The exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period;
  - vii. The specified time period within which the employee shall exercise the vested option in the event of termination or resignation of an employee;
  - viii. The right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;
  - ix. Re-pricing of the options which are not exercised, whether or not they have been vested if stock option rendered unattractive due to fall in the market price of the equity shares;
  - x. The grant, vest and exercise of option in case of employees who are on long leave;
  - xi. Allow exercise of unvested options on such terms and conditions as it may deem fit;
  - xii. formulate the procedure for funding the exercise of options;
  - xiii. The procedure for cashless exercise of options;
  - xiv. Forfeiture/ cancellation of options granted;
  - xv. formulate the procedure for buy-back of specified securities issued under the SBEB Regulations, if to be undertaken at any time by the Company, and the applicable terms and conditions, including:
    - permissible sources of financing for buy-back;
    - any minimum financial thresholds to be maintained by the Company as per its last financial statements; and
    - limits upon quantum of specified securities that the Company may buy-back in a financial year.
  - xvi. Formulating and implementing the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration:

- the number and the price of stock option shall be adjusted in a manner such that total value of the option to the employee remains the same after the corporate action;
  - for this purpose, global best practices in this area including the procedures followed by the derivative markets in India and abroad may be considered; and
  - the vesting period and the life of the option shall be left unaltered as far as possible to protect the rights of the employee who is granted such option.
- (n) Construing and interpreting the ESOP Scheme and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Scheme;
- (o) Framing suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
- a. the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; and
  - b. the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, as amended, by the Company and its employees, as applicable.
- (p) Performing such other activities as may be delegated by the Board and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.”
- (q) Such terms of reference as may be prescribed under the Companies Act and SEBI Listing Regulations.
- (r) To make available its terms of reference and review annually those terms of reference and its own effectiveness and recommend any necessary changes to the Board.

#### D. Internal Complaints Committee

The Internal Complaints Committee was constituted by our Board on May 08, 2023 in just the first step in addressing the issue of sexual harassment at the workplace. The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and the SEBI (LODR) Regulations. The Nomination and Remuneration Committee include the following:

Name of Director	Designation in Committee	Designation of the Employee/ Occupation
Smita Dutta	Presiding Officer	Senior Environmental Officer
Priyadarshini Javeri	Member	Accounts Head
Kiran Shinde	Member	Tender – HOD
Lolita Kewalramani	NGO Member	Advocate

Set forth below are the scope, functions, and the terms of reference of our Internal Complaints Committee:

- To draft the Sexual Harassment policy for our Company;
- To work towards providing safe and respectful working environment;
- Organize training and awareness program (classroom/ eLearning) at regular intervals;
- To conduct meetings:
  - When there is complaint received in writing from any women employees;
  - To settle grievances; and
  - To make sure there is appropriate compensation for any case of misconduct and sexual harassment.

#### E. IPO Committee

The IPO Committee was constituted by our Board on April 03, 2023. The IPO Committee is also authorized to approve the following in connection to the initial public offering pursuant to a resolution passed by the Board on April 03, 2023.

Name of Director	Status in Committee	Nature of Directorship
Ajay Ramakant Ojha	Chairman	Managing Director
Prasad Rangrao Pawar	Member	Executive Director
Aniket Vijay Kadam	Member	Executive Director

The terms of reference of the IPO Committee include the following:

- (i) To decide, in consultation with LM, the size, timing, pricing and all other terms and conditions of the issue and transfer of the Equity Shares for the Offer, including the number of Equity Shares to be offered pursuant to the Offer (including any reservation and any rounding off in the event of oversubscription) price and any discount allowed under Applicable Laws that may be fixed and determined in accordance with the Applicable Laws, and to accept any amendments, modifications, variations, or alterations thereto;
- (ii) To decide, negotiate and finalize, in consultation with the LM, all matters regarding the Pre-IPO Placement, if any, including entering into discussions and execution of all relevant documents with Investors;
- (iii) To make applications to seek clarifications and obtain approvals from, where necessary, the Stock Exchange, the SEBI, the Reserve Bank of India and any other governmental or statutory/regulatory authorities as may be required in connection with the Offer and accept on behalf of the Board such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions as may be required;
- (iv) To appoint, instruct and enter into arrangements with the LM, underwriters to the Offer, advisors to the Offer, escrow collection bank(s) to the Offer, registrars to the Offer, sponsor bank, refund bank(s) to the Offer, public issue account bank(s) to the Offer, auditors to the Offer, industry expert (if any), depositories, printers, monitoring agency, advertising agencies, legal counsel and any other agencies or persons or intermediaries to the Offer and to negotiate and finalise and amend the terms of their appointment, including but not limited to execution of the LM's mandate letter, negotiation, finalisation, execution and, if required, amendment of the Offer agreement with the LM and the underwriting agreement with the underwriters;
- (v) To negotiate, finalise, settle, execute and deliver or arrange the delivery of Offer agreement, registrar agreement, underwriting agreement, cash escrow and sponsor bank agreement, and all other documents, deeds, agreements, memorandum of understanding, and any notices, supplements and corrigenda thereto, as may be required or desirable and other instruments whatsoever with the registrar to the Offer, legal advisors, auditors, Stock Exchange, the LM and any other agencies/intermediaries in connection with the Offer with the power to authorise one or more officers of the Company to negotiate, execute and deliver all or any of the aforesaid documents;
- (vi) To decide in consultation with the LM on the size, timing, pricing, discount, reservation and all the terms and conditions of the Offer, including the Offer period, offer price, and to accept any amendments, modifications, variations or alterations thereto;
- (vii) To make any alteration, addition or variation in relation to the Offer, in consultation with the LM or Stock Exchange or such other authorities as may be required, and without prejudice to the generality of the aforesaid, deciding the exact Offer structure and the exact component of issue of Equity Shares;
- (viii) To finalise, approve, adopt, file, deliver and arrange for, in consultation with the LM, submission of the Draft Prospectus, and the Prospectus (including amending, varying or modifying the same, as may be considered desirable or expedient) and any amendments, supplements, notices or corrigenda thereto for the issue of Equity Shares including incorporating such alterations/corrections/modifications as may be required by Stock Exchange, SEBI, RoC, or any other relevant governmental and statutory authorities or in accordance with all Applicable Laws;
- (ix) To approve the relevant restated financial statements to be issued in connection with the Offer;
- (x) To make applications to seek clarifications and obtain approvals from, if necessary, the Stock Exchange, the Registrar of Companies or any other statutory or governmental authorities in connection with the Offer and, wherever necessary, incorporate such modifications/ amendments/ alterations/ corrections as may be required in the Draft Prospectus, and the Prospectus;

- (xi) To open and operate separate bank account(s) of the Company in terms of the cash escrow and sponsor bank agreement, as applicable and to authorise one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;
- (xii) To authorise and approve incurring of expenditure and payment of fees, commissions, brokerage, remuneration and reimbursement of expenses in connection with the Offer;
- (xiii) To approve code of conduct as may be considered necessary or as required under Applicable Laws for the Board, officers of the Company and other employees of the Company;
- (xiv) To authorise any concerned person on behalf of the Company to give such declarations, affidavits, certificates, consents and authorities as may be required from time to time in relation to the Offer;
- (xv) To approve suitable policies in relation to the Offer as may be required under Applicable Laws;
- (xvi) To approve suitable policies on insider trading, whistle –blowing, and any other policies, as may be required under Applicable Laws and the listing agreement to be entered into by the Company with the relevant stock exchange;
- (xvii) To approve any corporate governance requirement that may be considered necessary by the Board or the IPO Committee or as may be required under Applicable Laws, in connection with the Offer;
- (xviii) To authorise and approve notices, advertisements in such newspapers and other media as it may deem fit and proper in relation to the Offer in consultation with the LM and any other relevant intermediaries appointed for the Offer;
- (xix) To open and operate separate bank accounts of the Company in terms of Section 40(3) of the Companies Act or as may be required by the regulations issued by SEBI and to authorise one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;
- (xx) To determine and finalise the Offer opening and Offer closing dates the Offer price, approve the basis for allocation/allotment and confirm allocation/allotment of the Equity Shares to various categories of persons as disclosed in the Draft Prospectus, and the Prospectus, in consultation with the LM;
- (xxi) To issue receipts/allotment letters/confirmation of allocation notes either in physical or electronic mode representing the underlying Equity Shares in the capital of the Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on the Stock Exchange, with power to authorise one or more officers of the Company to sign all or any of the aforesaid documents;
- (xxii) To withdraw the Draft Prospectus or Prospectus or not to proceed with the Offer at any stage, if considered necessary and expedient, in accordance with Applicable Laws and in consultation with the LM;
- (xxiii) To determine the utilization of the Fresh Issue and accept and appropriate proceeds of the Fresh Issue in accordance with Applicable Laws;
- (xxiv) To make application for listing of Equity Shares on the Stock Exchange and to execute and to deliver or arrange the delivery of necessary documentation to the Stock Exchange and to take all such other actions as may be necessary in connection with obtaining such listing;
- (xxv) To do all such deeds and acts as may be required to dematerialise the Equity Shares and to sign and/or modify, as the case may be, agreements and/or such other documents as may be required with National Securities Depository Limited, Central Depository Services (India) Limited, registrar and transfer agents and such other agencies, as may be required in this connection with power to authorise one or more officers of the Company to execute all or any of the afore-stated documents;
- (xxvi) To do all such acts, deeds, matters and things and execute all such other documents, etc., as it may, in its absolute discretion, deem necessary or desirable for the Offer, in consultation with the LM, including

without limitation, finalising the basis of allocation and allotment of Equity Shares to the successful allottees and credit of Equity Shares to the demat accounts of the successful allottees in accordance with Applicable Laws;

- (xxvii) To settle all questions, difficulties or doubts that may arise in regard to the Offer, including such issues or allotment and matters incidental thereto as it may deem fit and to delegate such of its powers as may be deemed necessary and permissible under Applicable Laws to the officials of the Company;
- (xxviii) To take such action, give such directions, as may be necessary or desirable as regards the Offer and to do all such acts, matters, deeds and things, including but not limited to the allotment of Equity Shares against the valid applications received in the Offer, as are in the best interests of the Company;
- (xxix) To approve the incurring of expenditure and payment of fees, commission, remuneration and expenses in relation to the Offer;
- (xxx) To negotiate, finalise, settle, execute and deliver any and all other documents or instruments and doing or causing to be done any and all acts or things as the IPO Committee may deem necessary, appropriate or advisable in order to carry out the purposes and intent of the foregoing or in connection with the Offer and any documents or instruments so executed and delivered or acts and things done or caused to be done by the IPO Committee shall be conclusive evidence of the authority of the IPO Committee in so doing;
- (xxxi) To submit undertaking/certificates or provide clarifications to the Stock Exchange where the Equity Shares of the Company are proposed to be listed; and
- (xxxii) To take all other actions as may be necessary in connection with the Offer.

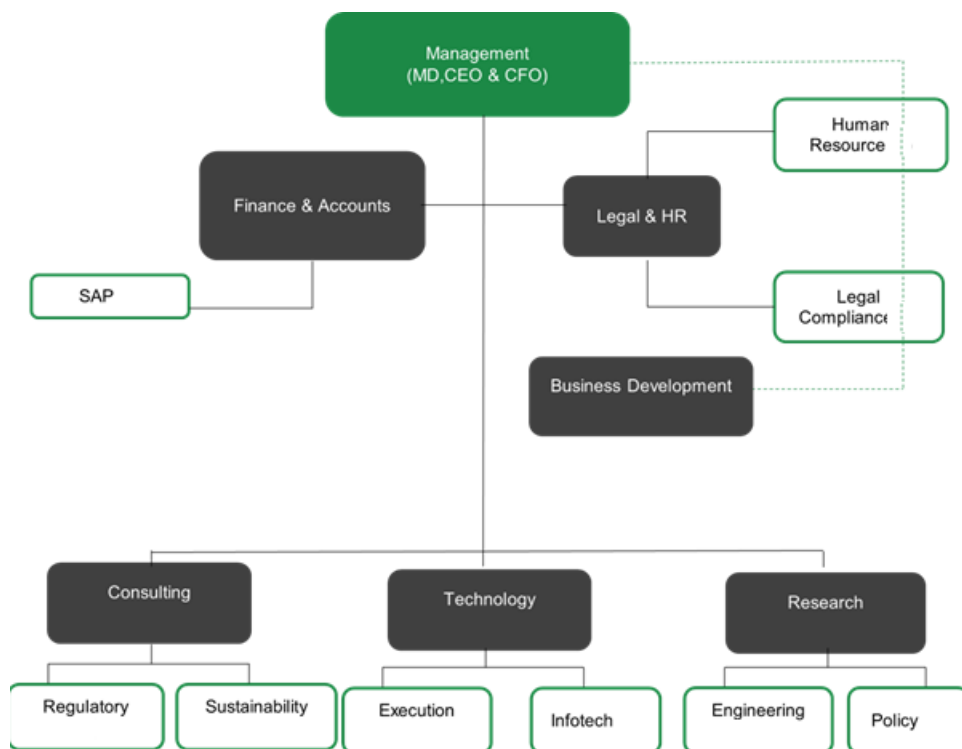
#### **POLICIES ADOPTED BY OUR COMPANY**

Our Company has adopted the following policies:

- Policy on Code of Conduct of Board of Directors and Senior Management Personnel
- Policy on Prohibition of Insider Trading
- Policy on Code of Practice & Procedure of Unpublished Price Sensitive Information
- Policy for Inquiry in case of leak or suspected leak of Unpublished Price Sensitive Information
- Policy on Board Diversity
- Policy on Familiarisation programmes for independent directors
- Policy on Succession planning
- Nomination and Remuneration Policy
- Whistle Blower Policy
- Related Party Transaction Policy
- Archival Policy
- Policy on Material Event
- Prevention of Sexual Harassment Policy
- Terms and Condition for Appointment of Independent Directors

- Risk Assessment and management policy
- Policy on Group Companies, Material Creditor and litigation
- Code of Ethics
- Policy on Human Rights
- Business Responsibility & Sustainability Reporting – Lite (BRSR Lite) Policy

## ORGANIZATION STRUCTURE



## OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

Set forth below are the details of our key managerial personnel in addition to Ajay Ramakant Ojha, Managing Director, Prasad Rangrao Pawar, Executive Director and Chief Executive Officer and Aniket Vijay Kadam, Executive Director & Chief Financial Officer of the Company as on the date of the Draft Prospectus. For details of our Managing Director, Whole Time Director & Chief Financial Officer please refer “*Our Management*” on page 124

**VINAYAK CHINDAK**, aged 23 years, is the Company Secretary & Compliance Officer of our Company. He has been associated with our Company since May 08, 2023. In our Company, He handles compliance and secretarial functions. He is an Associate Member of Institute of Companies Secretaries of India holding Membership No. ACS71144 and he also holds degree of Bachelor of Commerce (B. Com) from Savitribai Phule Pune University. Before being associated with our Company, he served as the Management Trainee in KPRC & Associates, Pune.

## SENIOR MANAGEMENT PERSONNEL

**KIRAN SHINDE**, aged 45years, is the Execution Head – Technology of our Company. He has been associated with our erstwhile partnership firm (converted into public company in 2023) since 2011.

**SHAIKH MOHAMMAD NADEEM**, aged 40 years, is the Regulatory Head – Consultancy. He has associated with our erstwhile partnership firm (converted into public company in 2023) since 2011.

**RITESH RAVINDRA GUJJAR**, aged 31 years, is the Information Technology Head. He has associated with our erstwhile partnership firm (converted into public company in 2023) since February 2022.

**VINAY DIGAMBAR BEDEKAR**, aged 45 years, is the Sustainability Head – Consultancy. He has associated with our company since June 2023. He has completed B.E (Environmental) from Shivaji University, Kolhapur.

**RAJU DHARMRAJ KALE**, aged 40 years is the senior accountant of our Company. He has been associated with our Company since July 2023. He has bachelors of commerce from Nagpur University. He has completed his Maharashtra State Certificate in Information Technology.

#### Shareholding of KMP and Senior Management

None of the Key Managerial Personnel or Senior Management Personnel in our Company hold any shares of our Company as on the date of filing of this Draft Prospectus except as under: -

Sr. No.	Name of the KMP	No. of Shares held
1	Ajay Ramakant Ojha	24,20,725
2	Prasad Rangrao Pawar	24,20,721
3	Aniket Vijay Kadam	2,54,814
4	Kiran Bhagwat Shinde	1
5	Shaikh Mohammad Nadeem	1
	<b>Total</b>	<b>50,96,262</b>

- Presently, we do not have ESOP/ ESPS scheme for our employees.
- The turnover of KMPs is not high, compared to the industry to which our company belongs.

#### Status of Key Managerial Personnel and Senior Management.

All our key managerial personnel and Senior Management are permanent employees of our Company.

#### Nature of family relationship

None of the above-mentioned key managerial personnel are related to each other and neither are they related to our Promoters or Directors.

#### Arrangements and Understanding with Major Shareholders, customers, suppliers or others

None of our key managerial personnel or Directors has been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers, or others. For more information, refer “*Our History and Certain Corporate Matters*” beginning on page 120.

#### Bonus or Profit-Sharing Plan for our Key Managerial Personnel and Senior Management.

As on the date of this Draft Prospectus our Company does not have any performance linked bonus or profit-sharing plan with any of our key managerial personnel.

#### Loans to Key Managerial Personnel and Senior Management.

Except as stated in the financial statements, there is no loan outstanding against any of the key managerial personnel and Senior Management as on date of this Draft Prospectus.

**Interest of Key Managerial Personnel and Senior Management.**

Except as disclosed in “Interest of Directors” on page 129 in respect of Directors, no other Key Managerial Personnel and Senior Management of our Company has any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business. There is no contingent or deferred compensation accrued for the year payable to the Key Managerial Personnel and Senior Management Personnel, even if the compensation is payable at a later date.

Further, the Key Managerial Personnel and Senior Management may be regarded as interested in the Equity Shares held by them, if any, (together with dividends and any other distributions in respect of such Equity Shares).

**Employees Stock Option Scheme**

Our Company does not have any Employee Stock Option Scheme/ Employee Stock Purchase Scheme as on the date of filing of the Draft Prospectus.

**Payment or Benefit to Key Managerial Personnel and Senior Management of our Company**

Except as disclosed in this Draft Prospectus, no amount or benefit has been paid or given or is intended to be paid or given to any of our Company’s employees including the Key Management Personnel and Senior Management within the two years preceding the date of filing of this Draft Prospectus, except for the payment of remuneration or commission for services rendered as an officer of our Company.

**Changes in our Company’s Key Managerial Personnel and Senior Management during the last three years**

Except as disclosed below, there have been no changes in our Key Managerial Personnel and Senior Management Personnel during the last three years:

<b>Name of Director</b>	<b>Date of change</b>	<b>Reason</b>
Prasad Rangrao Pawar	March 11, 2023	Appointment as a Chief Executive Officer
Aniket Vijay Kadam	March 11, 2023	Appointment as a Chief Financial Officer
Vinayak Chindak	May 08, 2023	Appointment as a Company Secretary and Compliance Officer

**Service Contracts with Directors, Key Managerial Personnel and Senior Management:**

No officer of our Company, including our Directors, the Key Managerial Personnel and Senior Management has entered into a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment.

**Contingent and deferred compensation payable to our Director, Key Managerial Personnel and Senior Management**

There is no contingent or deferred compensation accrued for Financial Year 2022 and payable to our Directors, Key Managerial Personnel and Senior Management which does not form a part of their remuneration.

**Non - appearance in list of companies struck off by the ROC**

As on the date of this Draft Prospectus, our Company does not appear in the list of Companies struck off by the Registrar of Companies, Pune.





## OUR PROMOTERS AND PROMOTER GROUP

The Promoters of our Company are **AJAY RAMAKANT OJHA** and **PRASAD RANGRAO PAWAR**

As on the date of this Draft Prospectus, Our Promoters holds an aggregate of 48,41,446 Equity Shares, representing **89.02%** of the Pre-Issue Issued, Subscribed and Paid-up Equity Share Capital of our Company. For details of the build-up of the Promoters' shareholding in our Company, see "*Capital Structure – History of the Equity Share Capital held by our Promoters*", on page 60 of this Draft Prospectus.

### **BRIEF PROFILE OF OUR INDIVIDUAL PROMOTER**

	<p><b>AJAY RAMAKANT OJHA</b>, aged 46 years is the Promoter and Managing Director of our Company.</p> <p><b>Date of Birth:</b> December 07, 1976</p> <p><b>Residential Address:</b> 202, Hem Opal, 2nd Plot 26, Ekta Park Society, Wakdewadi, Near Joshi Wadewala Lane, Pune-411003, Maharashtra.</p> <p><b>Nationality:</b> Indian</p> <p><b>PAN:</b> AAFPO5113M</p> <p><b>Directorship Held in Other Companies:</b> Nil</p>
	<p><b>PRASAD RANGRAO PAWAR</b>, aged 45 years, is the Promoter, Executive Director &amp; Chief Executive Officer of our Company.</p> <p><b>Date of Birth:</b> December 02, 1977</p> <p><b>Residential Address:</b> 44/A/1, Flat No C-103, Dew Drops Alandi Road Vishrantwadi Pune City Dhanori, Pune City Pune-411015, Maharashtra, India.</p> <p><b>Nationality:</b> Indian</p> <p><b>PAN:</b> AMOPP0672K</p> <p><b>Directorship Held in Other Companies:</b> Nil</p>

*For the complete profile of Ajay Ramakant Ojha and Prasad Rangrao Pawar- educational qualifications, professional experience, position / posts held in the past, directorships held, special achievements and business and financial activities, see "**Our Management**" on page 124 of this Draft Prospectus.*

### **DECLARATION**

We declare and confirm that the details of the Permanent Account Number, Passport Number, Driving Licence Number, Aadhaar Card Number and Bank Account Number of our Promoter will be submitted to the Stock Exchange i.e., BSE Limited, where the Equity Shares are proposed to be listed at the time of filing this Draft Prospectus.

### **UNDERTAKING / CONFIRMATIONS**

None of our Promoters or Promoter Group or Group Company or person in control of our Company has been:

- prohibited or debarred from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority or
- refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.
- No material regulatory or disciplinary action is taken by any by a stock exchange or regulatory authority in the past one year in respect of our Promoters, Group Company and Company promoted by the promoter of our company.
- There are no defaults in respect of payment of interest and principal to the debenture / bond / fixed deposit holders, banks, FIs by our Company, our Promoters, Group Company and Company promoted by the promoter during the past three years.
- The litigation record, the nature of litigation, and status of litigation of our Company, Promoters, Group company and Company promoted by the Promoters are disclosed in section titled **“Outstanding Litigations and Material Developments”** beginning on page 189 of this Draft Prospectus.
- None of our Promoters person in control of our Company are or have ever been a promoter, director or person in control of any other company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

#### **CHANGE IN CONTROL OF OUR COMPANY**

Our Promoters are the original promoters of our Company and there has been no change in the control of our Company in the five years immediately preceding the date of this Draft Prospectus.

#### **EXPERIENCE OF OUR PROMOTER IN THE BUSINESS OF OUR COMPANY**

For details in relation to experience of our Promoters in the business of our Company, please refer the section **“Our Management”** beginning on page 124 of this Draft Prospectus.

#### **INTEREST OF OUR PROMOTER**

Our Promoters are interested in our Company to the extent (i) that they have promoted our Company; (ii) of their shareholding in our Company and the dividend payable, if any and other distributions in respect of the Equity Shares held by them or the relatives; (iii) properties owned by them but used by our company and reimbursement of expenses (iv) of being Managing Director and Key Management Personnel of our Company and the remuneration, sitting fees and reimbursement of expenses payable by our Company to him; (v) that they has mortgaged their personal properties and provided personal guarantees for the loans availed by our Company; (vi) of being a subscriber to the Memorandum of Association of our Company; (vii) that our Company has undertaken transactions with them, or their relatives or entities in which our Promoter hold shares. For details regarding the shareholding of our Promoter in our Company, please refer **“Capital Structure”**, **“Our Management”** and **“Related Party Transactions”** under section titled **“Restated Financial Statements”** on pages 60, 124 and 150, respectively.

Except as stated otherwise in this Draft Prospectus, we have not entered into any contract, agreements or arrangements in which our Promoters are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company and development rights entered into by our Company other than in the normal course of business. For further details, **‘Related Party Transactions’** under section titled **“Restated Financial Statement”** beginning on page 150 of this Draft Prospectus.

#### ***Interest in promotion of our Company***

Our Company is currently promoted by the Promoters in order to carry on its present business. Our Promoters are interested in our Company to the extent of their shareholding and directorship in our Company and the dividend declared, if any, by our Company.

***Interest in the property, land, construction of building, supply of machinery, etc.***

Except as mentioned in the section titled ‘***Our Business***’ and ‘***Objects of the Issue***’ beginning on page 104 and 70 of this Draft Prospectus, our Promoters do not have any other interest in any property acquired or proposed to be acquired by our Company in a period of 2 (two) years before filing of this Draft Prospectus or in any transaction by our Company for acquisition of land, construction of building or supply of machinery or any other contract, agreement or arrangement entered into by our Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

***Interest in our Company arising out of being a member of a firm or company***

Our Promoters are not interested as member of a firm or company, and no sum has been paid or agreed to be paid to them or to such firm or company in cash or shares or otherwise by any person either to induce such person to become, or qualify them as a director, or otherwise for services rendered by them or by such firm or company in connection with the promotion or formation of our Company.

***Interest in our Company other than as Promoters***

Except as mentioned in this section and sections titled “***Our Business***”, “***Our History and Certain Corporate Matters***”, “***Our Management***”, “***Restated Financial Statements***” and “***Objects of the Issue***” beginning on pages 104, 120, 124, 150 and 70, respectively, our Promoters do not have any other interest in our Company

***Payment or Benefit to the Promoters or Promoter Group in the last 2 (two) years***

Except as stated above in sections “***Restated Financial Statements***” beginning on page 150 of this Draft Prospectus, there has been no amount or benefit paid or given during the preceding 2 (two) years of filing of this Draft Prospectus or intended to be paid or given to any Promoters or member of our Promoter Group and no consideration for payment of giving of the benefit.

**COMMON PURSUITS OF OUR PROMOTER**

Some of our Group Entities are involved in similar line of business as that of our Company. For further information on common pursuits and risks associated, please refer risk factor on ‘conflicts of interest’ in section titled “***Risk Factors***” and Related Party Transaction under section titled “***Restated Financial Statements***” beginning on page 23 and 150 of this Draft Prospectus.

**MATERIAL GUARANTEES GIVEN TO THIRD PARTIES**

Except as stated in the “***Statement of Financial Indebtedness***” and “***Restated Financial Statements***” beginning on page 187 and 150 of this Draft Prospectus, our Promoters have not given material guarantees to the third party(ies) with respect to the specified securities of our Company.

**EXPERIENCE OF PROMOTER IN THE LINE OF BUSINESS**

Our Promoters, are Ajay Ramakant Ojha and Prasad Rangrao Pawar have an experience of more than 20 years each in the industry. The Company shall also endeavour to ensure that relevant professional help is sought as and when required in the future.

**SHAREHOLDING OF THE PROMOTER GROUP IN OUR COMPANY**

For details of shareholding of members of our Promoter Group as on the date of this Draft Prospectus, please see the section titled “***Capital Structure – Notes to Capital Structure***” beginning on page 60 of this Draft Prospectus.

**LITIGATION INVOLVING OUR PROMOTER**

For details relating to legal proceedings involving the Promoters, please refer “***Outstanding Litigation and Material Developments***” beginning on page 189 of this Draft Prospectus.

## RELATED PARTY TRANSACTIONS

Except as stated in “Notes – 27 “*Related Party Transactions*” under section titled “*Restated Financial Statement*” beginning on page 150 of this Draft Prospectus, and as stated therein, our Promoters or any of the Promoter Group Entities do not have any other interest in our business.

## COMPANIES WITH WHICH OUR PROMOTER HAVE DISASSOCIATED IN THE PRECEDING THREE YEARS

Our Promoters have not disassociated themselves from any companies, firms or entities during the last three years preceding the date of this Draft Prospectus.

Sr. No.	Name of Promoter	Name of Entity	Reason for Disassociation	Date of Disassociation
1	Ajay Ramakant Ojha	NIL	NIL	NIL
2	Prasad Rangrao Pawar	NIL	NIL	NIL

## OUR PROMOTER GROUP

Our Promoter Group in terms of Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018 is as under:

### A. Natural Persons who form part of our Promoter Group:

Relation with Promoter	Ajay Ramakant Ojha	Prasad Rangrao Pawar
<b>Father</b>	Late Ramakant Hariharprasad Ojha	Rangrao Sitaram Pawar
<b>Mother</b>	Late Kishori Rmakant Ojha	Padmavati Rangrao Pawar
<b>Spouse</b>	--	Monali Prasad Pawar
<b>Brother(s)</b>	Vijayprakash Ramakant Ojha Sanjay Ramakant Ojha	--
<b>Sister(s)</b>	Sangeeta A. Tripathi	Preeti Bipin Deore
<b>Son(s)</b>	--	Veer Prasad Pawar
<b>Daughter(s)</b>	--	Miss Asmi Prasad Pawar
<b>Spouse's Father</b>	--	Late Anand Jadhav
<b>Spouse's Mother</b>	--	Sunita Anand Jadhav
<b>Spouse's Brother(s)</b>	--	Aditya Anand Jadhav
<b>Spouse's Sister(s)</b>	--	--

### B. Entities forming part of Promoter Group:

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

Sr. No.	Nature of Relationship	Ajay Ramakant Ojha	Prasad Rangrao Pawar
1	Any Body corporate in which 20% or more of the share capital is held by the Promoter or an immediate relative of the Promoter or a firm or HUF in which the Promoter or any one or more of his immediate relatives is a member	NIL	Wotastic Solutions Private Limited
2	Any company in which a company mentioned in (1) above, holds 20% or more, of the equity share capital	NIL	NIL

3	Any HUF or firm in which the aggregate shareholding of the Promoter and his immediate relatives is equal to or more than 20% of the total capital	NIL	NIL
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**C. All persons whose shareholding is aggregated under the heading "shareholding of the Promoter Group":  
Nil**

## **OUR GROUP COMPANIES**

Pursuant to resolution dated May 08, 2023, our Board has adopted the policy for determination of Group Companies (the “Materiality Policy”) and has noted that in accordance with of the SEBI ICDR Regulations, the term ‘group companies’ includes (i) such companies (other than promoters and subsidiary) with which there were related party transactions, during the period for which financial information is disclosed in the relevant Offer Document, as covered under the applicable accounting standards, and (ii) any other companies as considered material by the Board of Directors.

Accordingly, for (i) above, all such companies (other than promoters and subsidiary) with which there were related party transactions during the period covered in the Restated Financial Information, as covered under the applicable accounting standards, shall be considered as group companies in terms of the SEBI ICDR Regulations.

In addition, for the purposes of (ii) above, a company (other than promoters and subsidiary and the companies covered under (i) above) shall be considered “material” and will be disclosed as a “Group Company” in the Offer Documents if it is a member of the promoter group of the Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, and has entered into one or more transactions with the Company in the most recent financial year and any stub period, in respect of which Restated Financial Information are included in the Offer Documents, that cumulatively exceed 10.00% of the revenue from operations of our Company for the last completed financial year covered in the Restated Financial Information.

### **WOTASTIC SOLUTIONS PRIVATE LIMITED (“Wotastic Solutions”)**

#### *Registered Office*

The registered office of Wotastic Solutions is Sr No. 44/A/1, Building No. C- 103 Dew Drops, Alandi Road, Vishrantwadi, Pune – 411 015, Maharashtra, India.

#### *Financial Information*

The financial information derived from the audited financial results of Wotastic Solutions for the Fiscals 2022, 2021 and 2020 as required under the SEBI ICDR Regulations, as amended are available at [www.techknowgreen.com/investors](http://www.techknowgreen.com/investors) .

#### **Litigation**

Our Group Company are not party to any pending litigation which may have a material impact on our Company.

#### **Group Companies under the Insolvency and Bankruptcy Code, 2016**

Neither has any winding up petition been filed under the Companies Act, 2013 against any group company nor has a corporate insolvency resolution process commenced against such group company under the Insolvency and Bankruptcy Code, 2016 or any other applicable law.

#### **Defunct Group Companies**

None of our Group Companies are defunct companies, nor has any application been made to strike off their names from the register of companies during the five years preceding the date of filing the Draft Prospectus.

#### **Related Party Transactions and sales and purchases between our Company and Group Entities**

For details of related party transactions entered into by our Company, refer “*Restated Financial Statements*” on page 150.

#### **Interest of Group Entities**

- a. None of the Group Companies have any interest in the promotion of our Company.
- b. None of the Group Companies are interested in the properties acquired or proposed to be acquired by our Company in the preceding three years.

- c. Except as disclosed in “*Restated Financial Statements*” beginning on page 150, none of the Group Companies is interested in any transactions for acquisition of land, construction of building or supply of machinery.
- d. Except in the ordinary course of business as disclosed in “*Restated Financial Statements*” beginning on page 150, none of the Group Companies have any business interest or other interests in our Company.

#### **Payment or Benefit to our Group Entities**

Except as stated in the “Related Party Transactions” under section “*Restated Financial Statements*” on page 150, there has been no payment of benefits to our Group Entities during the two years prior to the filing of this Draft Prospectus.

#### **Other Confirmations**

As on the date of this Draft Prospectus, none of the Group Entities: (i) are listed on any stock exchange; (ii) have completed any public or rights issue since the date of its incorporation; (iii) has received any winding up petition accepted by a court; (iv) have become defunct; (v) have made an application to the relevant registrar of companies (in India), for striking off its name (vi) have been identified as wilful defaulters, as defined under the SEBI (ICDR) Regulations and there are no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them (vii) have been refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad (viii) had negative net worth as of the date of their last audited financial statements

## **DIVIDEND POLICY**

Under the Companies Act, 2013, an Indian Company pays dividends upon a recommendation by its Board of Directors and approval by majority of the Shareholders at the general meeting. Under the Companies Act, 2013, dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both.

The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. No dividend shall be payable for any financial year except out of profits of our Company for that year or that of any previous financial year or years, which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013.

Our Company does not have a formal dividend policy for declaration of dividend in respect of Equity shares. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion.

Our Company has not paid / declared any dividend in last three years from date of this Draft Prospectus. Our Company's corporate actions pertaining to payment of dividends in the past are not to be taken as being indicative of the payment of dividends by our Company in the future.

Our Company was incorporated on January 02, 2023 and prior to incorporation it was a Partnership firm. Hence, we were not entitled to pay any dividend in last 5 years.



## **SECTION IX: FINANCIAL INFORMATION**

### **RESTATED FINANCIAL STATEMENTS**

#### **Independent Auditors' Examination Report on Restated Financial Information**

**To,**  
**The Boards of Directors,**  
**Techknowgreen Solutions limited**  
Flat - 202, Hem Opal Apartment,  
Plot No. 26, Ekta Park Society,  
Wakadewadi, Pune,  
Maharashtra - 411003

**Dear Sirs/Madams,**

1. We Vishwas & Associates, Chartered Accountants have examined the accompanying Restated Financial Information of Techknowgreen Solutions Limited (the “Company” or the “Issuer”), which comprise of Restated Summary Statement of Assets and Liabilities as at March 31, 2023, March 31, 2022 and March 31, 2021, the Restated Summary Statement of Profit and Loss (including other comprehensive income), Restated Statement of Changes in Equity and the Restated Summary Statement of Cash Flows for the period ended March 31, 2023, March 31, 2022 and March 31, 2021 and the Summary of Significant Accounting Policies and other explanatory information (collectively referred to as the “Restated Financial Information”) for the purpose of inclusion in the Draft Prospectus (“DP”) and prospectus prepared by the Company in connection with its proposed initial public offer (the “IPO”) of equity shares of the Company (“Equity Shares”) comprising a fresh issue of Equity Shares. The Restated Financial Statement have been approved by the Board of Directors of the Company at their meeting held on 27<sup>th</sup> July, 2023 prepared in terms of the requirements of
  - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act");
  - b) the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992 (the "ICDR Regulations"); and
  - c) The Guidance note on Reports in Company Prospectus (Revised 2019) (as amended) issued by Institute of Chartered Accountants of India (“ICAI”), as amended from time to time (“Guidance Note”).

#### **Management’s Responsibility for the Restated Financials Statement**

2. The Company’s Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in DP to be filled with Securities and Exchange Board of India (the “SEBI”), Bombay Stock Exchange Limited (“BSE”) and Registrar of Companies, Pune, in connection with the proposed IPO. The Restated Financial Statements have been prepared by the management of the Company in accordance with the basis of preparation stated in note 1 ‘Summary of Significant Accounting Policies’ of the Restated Financial Statements. The Board of Director’s

responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Director is also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

### **Auditor's Responsibilities**

3. We have examined such Restated Financial Information taking into consideration:
  - a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 05 May, 2023 in connection with the proposed IPO of equity shares of the company;
  - b) The Guidance Note which also requires that we comply with the ethical requirements of Code of Ethics issued by ICAI;
  - c) The concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and
  - d) The requirements of Section 26 of the Act and the ICDR Regulations.

Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

4. These Restated Financial Information have been compiled by the management from:
  - a. Audited Financial Statements of the Company as at and for the period ended January 01, 2023 to March 31, 2023 prepared by the Management in accordance with applicable accounting standard, as prescribed under Section 133 of the Act read with Companies Rules 2015, as amended, and other accounting principles generally accepted in India, which has been approved by the Board of Directors at their meeting held on 07<sup>th</sup> July, 2023;
  - b. Financial Statements of the Firm as at and for the period ended April 01, 2022 to January 01, 2023 prepared by the Management in accordance with the generally accepted accounting standard, as amended, and other accounting principles generally accepted in India, which has been approved by the Partners at their meeting held on 01<sup>st</sup> January, 2023;
  - c. Audited Financial Statements of the Firm as at and for the year ended March 31, 2022 prepared by the Management in accordance with the generally accepted accounting standard, as amended, and other accounting principles generally accepted in India, which has been approved by the Partners at their meeting held on 19 September, 2022;
  - d. Audited Financial Statements of the Firm as at and for the year ended March 31, 2021 prepared by the Management in accordance with the generally accepted accounting standard, as amended, and other accounting principles generally accepted in India, which has been approved by the Partners at their meeting held on 14 March, 2022;
5. For the Purpose of examination, we have relied on:
  - a. Auditor's report issued by us dated 07<sup>th</sup> July, 2023 on the Financial Statements of the company as at and for the period ended January 01, 2023 to March 31, 2023 as referred in Para 4 (a) above;
  - b. Reviewed Financials by the predecessor auditor dated 01<sup>st</sup> January, 2022 on the Financial Statements of the Firm as at and for the period ended April 01, 2023 to January 01, 2023, as referred in Paragraph 4(b) above.
  - c. Auditors' Report issued by the predecessor auditor dated 19 September, 2022 and 14 March, 2022 on the Financial Statements of the Firm as at and for the years ended 31 March 2022 and 31 March 2021 respectively, as referred in Paragraph 4(c) & (d) above.

The audits for the financial years ended 31 March, 2022 and 31 March, 2021, were conducted by Firm’s predecessor auditors, Patil Lakhotia & Associates (the “predecessor auditor”), and accordingly reliance has been placed on the financial statements including statement of Capital account examined by them for the said years. The examination report included for said these years are based solely on the report submitted by predecessor auditor.

6. Since we did not audit the Financial Statement of the Firm for the financial years ended March 31, 2022 and March 31, 2021 whose share of total assets, total revenues and net cash outflows and shares of net profit/loss, included in Restated Financial Information, for the relevant years is tabulated below:

Particulars	As at / for the year ended March 31, 2022	As at / for the year ended March 31, 2021
	[Amount In Lakhs]	[Amount In Lakhs]
Total Assets	957.90	113.17
Total Revenues	999.09	785.27
Net Cash (Outflows)/Inflows	8.81	141.62
Share of Net Profit/(Loss)	110.77	39.63

These financial statement have been audited by predecessor auditor, PATIL & LAKHOTIA ASSOCIATES, whose reports have been furnished to us by the company’s management and our opinion in so far as it relates to the amounts and disclosures included in Financial Statement of the Firm are based solely on the report of the predecessor auditor.

This predecessor auditor, as mentioned in paragraph 5(b), 5(c) and 6 of the company have confirmed that the financial statement as at and for the year ended March 31, 2022 and March 31, 2021:

- a. Have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years as at and for the years ended March 31, 2022 and March 31, 2021 to reflect the same accounting treatment as per the accounting policy and grouping/classification followed as at and for the period ended March 31, 2023;
  - b. Do not contain any extraordinary items that need to be disclosed separately in the Restated Financial Information and do not contain any qualification requiring adjustments.
  - c. Have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
7. Based on the above and according to the information and explanations given to us, we report that:
- a. Restated Financial Statements have been prepared after incorporating adjustments for the changes in accounting policies, any material errors and regroupings/ reclassifications retrospectively in the financial years as at and for the years March 31, 2022 and March 31, 2021 to reflect the same accounting treatment as per the accounting policies and grouping/ classifications followed in the Audited Financial Statements of the Company as at and for the year ended March 31, 2023.
  - b. There are no qualifications in the auditors’ reports on the Audited Financial Statements as at and for the year ended March 31, 2023, March 31, 2022 and March 31, 2021 which require any adjustments to the Restated Financial Statements.
  - c. Restated Financial Statements have been prepared in accordance with the Act, the SEBI ICDR Regulations and the Guidance Note.
8. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

9. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the report on the audited financial statement, as mentioned in paragraph 5 above.
10. We, Vishwas & Associates, Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate issued by the “Peer Review Board” of the ICAI which is valid till 25 November, 2025.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
12. Our report is intended solely for use of the management for inclusion in the DP to be filed with Securities and Exchange Board of India (the “SEBI”), Bombay Stock Exchange Limited (“BSE”) and Registrar of Companies, Pune in connection with the proposed IPO of equity shares of the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

**For Vishwas & Associates**  
**Chartered Accountants**  
**FRN:- 0143500W**

**Vishwas Kalal**  
**Proprietor**  
**M. No. :- 174542**

**UDIN :- 23174542BGWDET6722**  
**Place :- Mumbai**  
**Date :- 27/07/2023**

# TECHKNOWGREEN SOLUTIONS LIMITED

CIN : U90000PN2023PLC217501

Restated Balance Sheet as at March 31, 2023, March 31, 2022 and March 31, 2021

		(Rs. In Lakhs)		
Particulars	Note	31 March 2023	31 March 2022	31 March 2021
<b>EQUITY AND LIABILITIES</b>				
<b>Shareholders' funds</b>				
Share capital	2	509.63	509.63	509.63
Reserves and surplus	3	124.00	-153.76	-213.20
Money received against share warrants				
		633.63	355.86	296.43
<b>Non-current liabilities</b>				
Long-term borrowings	4	18.33	34.03	122.58
Other long term liabilities		-	-	-
Long-term provisions	5	5.10	4.31	12.20
		23.43	38.34	134.78
<b>Current liabilities</b>				
Short-term borrowings	6	269.07	251.83	328.13
Trade payables	7			
Total outstanding dues of micro enterprises and small enterprises		0.07	0.31	0.60
Total outstanding dues of creditors other than micro enterprises and small enterprises		69.59	60.83	332.36
Other current liabilities	8	17.54	82.08	66.04
Short-term provisions	5	223.93	164.69	23.41
		580.19	559.73	750.55
<b>Total</b>		<b>1,237.25</b>	<b>953.94</b>	<b>1,181.75</b>
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, Plant and Equipment Property and Intangible assets				
Property, Plant and Equipment	9	17.98	6.38	8.83
Intangible assets	9	4.82	-	-
Capital work-in-progress		-	-	-
Intangible assets under development		-	-	-
Non-current investments		-	-	-
Deferred tax assets (Net)	10	2.97	2.22	2.15
Long term Loans and advances		-	-	-
Other non-current assets	11	215.43	197.45	272.63
		241.19	206.04	283.62
<b>Current assets</b>				
Current investments		-	-	-
Inventories	12	382.84	262.76	237.92
Trade receivables	13	334.12	306.11	315.26
Cash and bank balances	14	58.93	8.81	141.62
Short term Loans and advances	15	218.93	169.98	202.36
Other current assets	16	1.23	0.23	0.98
		996.06	747.89	898.14
<b>Total</b>		<b>1,237.25</b>	<b>953.94</b>	<b>1,181.75</b>

Summary of significant accounting policies

1

The accompanying notes are an integral part of the financial statements

As per our report of even date

**For Vishwas & Associates**  
Chartered Accountants  
FRN:- 143500W

For and on behalf of the Board of Directors of  
Techknowgreen Solutions Limited

Vishwas Kalal  
(Proprietor)  
M.No.: 174542

Dr. Ajay Ojha  
Managing Director  
DIN : 03549762

Prasad Pawar  
Director and CEO  
DIN : 02033491

Aniket Kadam  
Chief Finance officer

UDIN: 23174542BGWDET6722  
Place: Mumbai  
Date: 27/07/2023

Vinayak Chindak  
Company Secretary  
M. No.: A71144  
Place: Mumbai  
Date: 27/07/2023

# TECHKNOWGREEN SOLUTIONS LIMITED

CIN : U90000PN2023PLC217501

Restated Statement of Profit and Loss for the years ended March 31, 2023, March 31, 2022 and March 31, 2021

Particulars	Note	2022-23	2021-22	(Rs. In Lakhs) 2020-21
<b>Income:</b>				
Revenue from operations	17	1,483.85	987.33	780.73
Other Income	18	2.44	11.77	4.54
<b>Total Income</b>		<b>1,486.28</b>	<b>999.09</b>	<b>785.27</b>
<b>Expenses:</b>				
Direct Expense	19	95.93	88.08	385.40
Purchases		225.96	572.50	52.62
Changes in inventories of finished goods, work-in-progress and stock-in-trade	20	-120.08	-24.85	9.71
Employee Benefits Expense	21	183.03	55.79	63.75
Finance Costs	22	24.29	50.17	61.54
Depreciation and amortization expense	23	5.08	3.96	3.95
Other Expenses	24	447.58	102.47	157.21
<b>Total expenses</b>		<b>861.78</b>	<b>848.12</b>	<b>734.18</b>
<b>Profit/(loss) before Prior Period items and tax</b>		<b>624.50</b>	<b>150.98</b>	<b>51.09</b>
Prior Period Item		-	-	-
<b>Profit before tax</b>		<b>624.50</b>	<b>150.98</b>	<b>51.09</b>
Tax expense:				
Current tax				
For current year profits		173.88	42.87	14.52
Deferred tax charge/ (benefit)	10	-0.76	-0.06	-0.59
		<b>173.12</b>	<b>42.80</b>	<b>13.92</b>
<b>Profit/(Loss) for the period from continuing operations</b>		<b>451.38</b>	<b>108.18</b>	<b>37.17</b>
Profit/(loss) from discontinuing operations		-	-	-
Tax expense of discontinuing operations		-	-	-
<b>Profit/(loss) from discontinuing operations (after tax)</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>Profit/(Loss) for the year</b>		<b>451.38</b>	<b>108.18</b>	<b>37.17</b>
<b>Earnings Per Equity Share</b>				
[Nominal value per share Rs.10.00]	25			
Basic Earnings Per Share		8.86	2.12	0.73
Diluted Earnings Per Share		8.86	2.12	0.73

The accompanying notes are an integral part of the financial statements

As per our report of even date

For Vishwas & Associates  
Chartered Accountants  
FRN:- 143500W

For and on behalf of the Board of Directors of  
Techknowgreen Solutions Limited

Vishwas Kalal  
(Proprietor)  
M.No.: 174542

Dr. Ajay Ojha  
Managing Director  
DIN : 03549762

Prasad Pawar  
Director and CEO  
DIN : 02033491

Aniket Kadam  
Chief Finance officer

UDIN: 23174542BGWDET6722  
Place: Mumbai  
Date: 27/07/2023

Vinayak Chindak  
Company Secretary  
M. No.: A71144  
Place: Mumbai  
Date: 27/07/2023

# TECHKNOWGREEN SOLUTIONS LIMITED

CIN : U90000PN2023PLC217501

Restated Cash Flow Statement for the years ended March 31, 2023, March 31, 2022 and March 31, 2021

Particulars	2022-23	2021-22	(Rs. In Lakhs) 2020-21
<b>Cash Flow from Operating activities</b>			
Profit before tax	624.50	150.98	51.09
Adjustments for:			
Depreciation and amortization expenses	5.08	3.96	3.95
Interest expenses	3.86	49.23	51.27
Interest (income)	-2.02	-1.99	-3.83
<b>Operating Profit before working capital changes</b>	<b>631.42</b>	<b>202.17</b>	<b>102.49</b>
Changes in working capital			
Increase / decrease in trade payables	-8.53	271.83	-184.31
Increase / decrease in other current liabilities	64.54	-16.04	-23.02
Increase / decrease in Short term Borrowings	-17.23	76.30	-328.13
Increase / decrease in provisions	-60.02	-133.40	102.68
Decrease / increase in trade receivables	28.01	-9.14	20.64
Decrease / increase in inventories	120.08	24.85	-9.71
Decrease / increase in loans and advances	48.95	-32.38	-335.24
Decrease / increase in Other assets	18.98	-75.94	68.40
<b>Cash generated from / (used in) operations</b>	<b>436.64</b>	<b>96.08</b>	<b>791.17</b>
Income Tax Expense	-173.88	-42.87	-14.52
Deferred Tax			
<b>Net cash flows from / (used in) operating activities (A)</b>	<b>262.76</b>	<b>53.22</b>	<b>776.65</b>
<b>Cash flow from Investing activities</b>			
Purchase of Property, Plant and Equipment, including movement in CWIP	-21.49	-1.50	-
Interest received (others)	2.02	1.99	3.83
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>-19.47</b>	<b>0.49</b>	<b>3.83</b>
<b>Cash flow from Financing activities</b>			
Proceeds from issuance of equity share capital	-	-	-
Repayment from long-term borrowings	-15.69	-88.55	-297.74
Interest paid	-3.86	-49.23	-51.27
Adjustment on account of Conversion from firm to Company	-173.61	-48.74	-323.39
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>-193.16</b>	<b>-186.53</b>	<b>-672.40</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>50.12</b>	<b>(132.82)</b>	<b>108.08</b>
Cash and cash equivalents at the beginning of the year	8.81	141.62	33.54
Cash and cash equivalents at the end of the year	<b>58.93</b>	<b>8.81</b>	<b>141.62</b>
<b>Cash and cash equivalents comprise (Refer note 14)</b>			
Balances with banks			
On current accounts	53.80	0.27	137.52
Cash on hand	5.13	8.53	4.10
<b>Total cash and bank balances at end of the year</b>	<b>58.93</b>	<b>8.81</b>	<b>141.62</b>

**Notes :**

1. The above Cash flow statement has been prepared under the indirect method set out in Accounting Standard-3, "Cash Flow Statement" notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014.
2. Cash comprises cash on hand and Current Accounts with banks.
3. Interest Expense on Loan is classified as Cash Flow from Financing Activities.
4. Interest Income is classified as Cash Flow from Investing Activities.

As per our report of even date

For Vishwas & Associates  
Chartered Accountants  
FRN:- 143500W

For and on behalf of the Board of Directors of  
Techknowgreen Solutions Limited

Vishwas Kalal  
(Proprietor)  
M.No.: 174542

Dr. Ajay Ojha  
Managing Director  
DIN : 03549762

Prasad Pawar  
Director and CEO  
DIN : 02033491

Aniket Kadam  
Chief Finance officer

UDIN: 23174542BGWDET6722  
Place: Mumbai  
Date: 27/07/2023

Vinayak Chindak  
Company Secretary  
M. No.: A71144  
Place: Mumbai  
Date: 27/07/2023

# TECHKNOWGREEN SOLUTIONS LIMITED

CIN : U90000PN2023PLC217501

## SIGNIFICANT ACCOUNTING POLICIES & NOTES ON RESTATED FINANCIAL STATEMENTS

Note No.: 1

### A. Corporate Information

Techknowgreen Solutions Limited is a company domiciled in India with its registered office at 202, Hem Opal Apartment, Plot No. 26, Ekta Park Society, Wakadewadi, Pune - 411003. The Company was formed by conversion of a partnership firm, 'Technogreen Environmental Solutions' ("Firm") under the provisions of Chapter XXI of Companies Act 2013. The Firm was formed and registered as a partnership firm under the provisions of Indian Partnership Act, 1932, pursuant to a deed of partnership dated April 05, 2001, as amended and supplemented from time to time. The Firm was converted to public limited company on January 02, 2023. The Company is engaged in the business of 'providing consulting services in almost every realm of environment & infrastructure planning, solutions to every problem of environment & climate change, which are both environmentally as well as economically feasible.

### B. Significant Accounting Policies

#### 1. Basis of accounting:-

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) including the Accounting Standards notified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013.

The financial statements have been prepared under the historical cost convention on accrual basis.

#### 2. Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

#### 3. Revenue Recognition: -

Expenses and Income considered payable and receivable respectively are accounted for on accrual basis.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.



# TECHKNOWGREEN SOLUTIONS LIMITED

CIN : U90000PN2023PLC217501

#### 4. Property, Plant & Equipment :-

Property, Plant & Equipment including intangible assets are stated at their original cost of acquisition including taxes, freight and other incidental expenses related to acquisition and installation of the concerned assets less depreciation till date.

Company has adopted cost model for all class of items of Property Plant and Equipment.

#### 5. Depreciation :-

Depreciation on Fixed Assets is provided to the extent of depreciable amount on the Written down Value (WDV) Method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

Sr. No.	Property, Plant and Equipment	Useful life (Years)
i)	Plant and Equipment	15
ii)	Office Equipment	5
iii)	Computers	6
	(a) Servers and networks	3
	(b) End user devices, such as desktops, laptops, etc.	
iv)	Furniture and Fixtures	10

All fixed assets individually costing Rs. 5,000/- or less are fully depreciated in the year of installation/purchase.

Depreciation on assets acquired/sold during the year is recognised on a pro-rata basis to the statement of profit and loss till the date of acquisition/sale.

The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

#### 6. Investments :-

Investments, which are readily realizable and intended to be held for not more than one year

from the date on which such investments are made, are classified as current investments. All other investments are classified as non-current investments. Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminutions in value is made to recognize a decline other than temporary in the value of the investments.

# TECHKNOWGREEN SOLUTIONS LIMITED

CIN : U90000PN2023PLC217501

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

7. Inventories :-

Inventories are valued as under:-

Work in Progress : At cost or net realizable value

8. Borrowing cost:-

Borrowing costs that are attributable to the acquisition or construction of the qualifying assets are capitalized as part of the cost of such assets. A qualifying assets is one that necessarily takes a substantial period of time to get ready for its intended uses or sale. All other borrowing costs are charged to revenue in the year of incurrence.

9. Retirement Benefits:-

The gratuity has been provided in books on accrual basis. This section provides the Report under AS 15 (Revised 2005) in respect of Gratuity Plan.

**Table I: Assumptions**

Assumptions	March 31, 2023	March 31, 2022	March 31, 2021
Discount Rate	7.42% per annum	6.98% per annum	6.23% per annum
Rate of increase in Compensation levels	8.00% per annum	8.00% per annum	8.00% per annum
Rate of Return on Plan Assets	Not Applicable	Not Applicable	Not Applicable
Average future service (in Years)	26.00 Years	22.23 Years	24.79 Years

**Table II: Change in Present Value of Obligations**

All Figures in INR	March 31, 2023	March 31, 2022	March 31, 2021
Present Value of Obligation as at the beginning of the year	510,290	1,320,697	1,039,959
Liability Transfer In/(Out)	-	-	-
Interest Cost	35,618	82,808	64,789
Past Service Cost	-	-	-
Current Service Cost	125,799	84,172	287,017
Curtailement Cost / (Credit)	-	-	-
Settlement Cost / (Credit)	-	-	-
Benefits paid	-	-	-
Actuarial (gain)/ loss on obligations	(41,877)	(977,387)	(71,068)
<b>Present Value of Obligation as at the end of the year</b>	<b>629,830</b>	<b>510,290</b>	<b>1,320,697</b>

# TECHKNOWGREEN SOLUTIONS LIMITED

CIN : U90000PN2023PLC217501

**Table III: Change in Fair Value of Plan Assets**

All Figures in INR	March 31, 2023	March 31, 2022	March 31, 2021
Fair value of plan asset at the beginning of year	-	-	-
Asset Transfer In/ (Out)	-	-	-
Expected Return on Plan Assets	-	-	-
Employers' Contributions	-	-	-
Benefit Paid	-	-	-
Actuarial Gain /( loss) on Plan Assets	-	-	-
<b>Fair value of plan assets at the end of year</b>	-	-	-

**Table IV: Fair Value of Plan Assets**

All Figures in INR	March 31, 2023	March 31, 2022	March 31, 2021
Fair value of plan asset at the beginning of year	-	-	-
Asset Transfer In/ (Out)	-	-	-
Actual return on plan assets	-	-	-
Employers' Contributions	-	-	-
Benefits Paid	-	-	-
Fair value of plan assets at the end of year	-	-	-
Funded Status	(629,830)	(510,290)	(1,320,697)
<b>Excess of actual over estimated return on plan assets</b>	-	-	-

**Table V: Actuarial Gain/Loss Recognised**

All Figures in INR	March 31, 2023	March 31, 2022	March 31, 2021
Actuarial gain/(loss) for the year - Obligation	41,877	977,387	71,068
Actuarial (gain)/loss for the year - Plan Assets	-	-	-
Total (gain) / loss for the year	(41,877)	(977,387)	(71,068)
Actuarial (gain) / loss recognized in the year	(41,877)	(977,387)	(71,068)
<b>Unrecognized actuarial (gains)/losses at the end of the year</b>	-	-	-

# TECHKNOWGREEN SOLUTIONS LIMITED

CIN : U90000PN2023PLC217501

**Table VI: The amount to be recognized in Balance Sheet and Statements of Profit and Loss**

All Figures in INR	March 31, 2023	March 31, 2022	March 31, 2021
Present Value of Obligation as at the end of the year	629,830	510,290	1,320,697
Fair Value of Plan Assets as at the end of the year	-	-	-
Funded Status	(629,830)	(510,290)	(1,320,697)
Unrecognized Actuarial (gains) / losses	-	-	-
<b>Net Asset / (Liability) Recognized in Balance Sheet</b>	<b>(629,830)</b>	<b>(510,290)</b>	<b>(1,320,697)</b>

**Table VII: Expense Recognized in Statement of Profit and Loss**

All Figures in INR	March 31, 2023	March 31, 2022	March 31, 2021
Current Service Cost	125,799	84,172	287,017
Past Service Cost	-	-	-
Interest Cost	35,618	82,808	64,789
Expected Return on Plan Assets	-	-	-
Curtailment Cost / (Credit)	-	-	-
Settlement Cost / (Credit)	-	-	-
Net actuarial (gain)/ loss recognized in the year	(41,877)	(977,387)	(71,068)
<b>Expenses Recognized in the statement of Profit &amp; Loss</b>	<b>119,540</b>	<b>(810,407)</b>	<b>280,738</b>

**10. Taxes on Income:-**

Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961. The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted by the balance sheet date. Deferred tax assets arising from timing differences are recognized to the extent there is virtual certainty with convincing evidence that these would be realized in future. At each Balance Sheet date, the carrying amount of deferred tax is reviewed to reassure realization.

**11. Provisions, Contingent Liabilities and Contingent Assets:- (AS-29)**

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of the obligation can be made.

Contingent Liabilities is disclosed in Notes to the account for:-

- (i) Possible obligations which will be confirmed only by future events not wholly within the control of the company or
- (ii) Present Obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

# TECHKNOWGREEN SOLUTIONS LIMITED

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Contingent assets are not recognized in the financial statement since this may result in the recognition of the income that may never be realized.

General:

Except wherever stated, accounting policies are consistent with the generally accepted accounting principles and have been consistently applied.

## C. Notes on Financial Statements

1. Trade receivables, Trade payables, Loans & Advances and Unsecured Loans have been taken at their book value subject to confirmation and reconciliation.

2. Payments to Auditors:

<b>Auditors Remuneration</b>	<b>2022-23</b>	<b>2021-22</b>	<b>2020-21</b>
Audit Fees	4,00,000	45,000	50,000
<b>Total</b>	<b>4,00,000</b>	<b>45,000</b>	<b>50,000</b>

3. Loans and Advances are considered good in respect of which company does not hold any security other than the personal guarantee of persons.

4. Additional Regulatory Information/disclosures as required by General Instructions to Schedule III to the Companies Act, 2013 are furnished to the extent applicable to the Company.

## TECHKNOWGREEN SOLUTIONS LIMITED

Notes forming part of the Restated Financial Statements for the year ended March 31, 2023, March 31, 2022 and March 31, 2021

<b>2</b>	<b>Share capital</b>	(Rs. In Lakhs)
	The Company has only one class of share capital having a par value of ₹ 10 per share, referred to herein as equity shares.	
		<u>31 March 2023</u> <u>31 March 2022</u> <u>31 March 2021</u>
	<u>Authorized</u>	
	55,00,000 equity shares of Rs. 10 each	<u>550.00</u> <u>550.00</u> <u>550.00</u>
	<u>Issued, subscribed and paid up</u>	
	50,96,264 equity shares of Rs. 10 each fully paid	509.63    509.63    509.63
	<b>Total</b>	<u><b>509.63</b></u> <u><b>509.63</b></u> <u><b>509.63</b></u>

<b>(a)</b>	<b>Reconciliation of shares outstanding at the beginning and at the end of the year</b>	<u>31 March 2023</u>	<u>31 March 2022</u>	<u>31 March 2021</u>			
		<u>Number of shares</u>	<u>Amount</u>	<u>Number of share:</u>	<u>Amount</u>	<u>Number of shares</u>	<u>Amount</u>
	Outstanding at the beginning of the year	50,96,264	5,09,62,640	50,96,264	5,09,62,640	50,96,264	5,09,62,640
	Add: Issued during the year	-	-	-	-	-	-
	Outstanding at the end of the year	<u>50,96,264</u>	<u>5,09,62,640</u>	<u>50,96,264</u>	<u>5,09,62,640</u>	<u>50,96,264</u>	<u>5,09,62,640</u>

- (b) Rights, preferences and restrictions attached to shares**  
The company has only one class of equity shares having par value of Rs. 10 per share. Each shareholder is entitled to one vote per share held. The company declares and pays dividends in Indian rupees.

<b>(c)</b>	<b>Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company</b>	<u>31 March 2023</u>	<u>31 March 2022</u>	<u>31 March 2021</u>			
	<b>Name of the shareholder</b>	<u>Number of shares</u>	<u>% of holding in the class</u>	<u>Number of shares</u>	<u>% of holding in the class</u>	<u>Number of shares</u>	<u>% of holding in the class</u>
	Dr. Ajay Ojha	25,48,132	50.00%	25,48,132	50.00%	25,48,132	50.00%
	Prasad Pawar	25,48,127	50.00%	25,48,127	50.00%	25,48,127	50.00%

As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(d) <b>Details of Shares held by Promoters at the end of the year</b>	<u>31 March 2023</u>			<u>31 March 2022</u>			<u>31 March 2021</u>		
	No. Of Shares	% of total shares	% Change during the year	No. Of Shares	% of total shares	% Change during the year	No. Of Shares	% of total shares	% Change during the year
Dr. Ajay Ojha	25,48,132	50.00	-	25,48,132	50.00	-	25,48,132	50.00	-
Prasad Pawar	25,48,127	50.00	-	25,48,127	50.00	-	25,48,127	50.00	-
<b>Total</b>	<u>50,96,259</u>			<u>50,96,259</u>			<u>50,96,259</u>		

## TECHKNOWGREEN SOLUTIONS LIMITED

Notes forming part of the Restated Financial Statements for the year ended March 31, 2023, March 31, 2022 and March 31, 2021

3	Reserves and surplus	(Rs. In Lakhs)		
		31 March 2023	31 March 2022	31 March 2021
	Surplus/(deficit) in the Statement of Profit and Loss			
	Opening balance	-153.76	-213.20	-231.64
	Add: Net Profit/(Net Loss) for the current year	451.38	108.18	37.17
	Less: Adjustment on account of Conversion from Partnership firm to Company	-173.61	-48.74	-18.72
	Closing balance	<u>124.00</u>	<u>-153.76</u>	<u>-213.20</u>
	<b>Total Reserves and surplus</b>	<b><u>124.00</u></b>	<b><u>-153.76</u></b>	<b><u>-213.20</u></b>

4	Long-term borrowings	(Rs. In Lakhs)			(Rs. In Lakhs)		
		Current maturities			Non current maturities		
		31 March 2023	31 March 2022	31 March 2021	31 March 2023	31 March 2022	31 March 2021
	<u>Secured</u>						
(a)	Term loans from banks*	-	-	-	18.33	34.03	122.58
	<u>Unsecured</u>						
(b)	Other loans and advances from Others	2.77	38.96	47.60	-	-	-
	<b>Total</b>	<b><u>2.77</u></b>	<b><u>38.96</u></b>	<b><u>47.60</u></b>	<b><u>18.33</u></b>	<b><u>34.03</u></b>	<b><u>122.58</u></b>

\*The Bank has informed the Company that no charge has to be created in the name of the Company as no property of Company has been secured for the said amount of Loan, accordingly the management of the Company is not required to file form CHG-1 for the said loan.

10	Deferred tax liabilities/(asset) (Net)	(Rs. In Lakhs)		
		31 March 2023	31 March 2022	31 March 2021
	Op. Balance of DTA (A)	2.22	2.15	1.56
	Transaction during the year:- (B)			
	Gratuity	0.31	-0.40	0.91
	Fixed Assets	0.45	0.46	-0.32
		<u>0.76</u>	<u>0.06</u>	<u>0.59</u>
	<b>Net deferred tax (liability)/asset (A+B)</b>	<b><u>2.97</u></b>	<b><u>2.22</u></b>	<b><u>2.15</u></b>

## TECHKNOWGREEN SOLUTIONS LIMITED

Notes forming part of the Restated Financial Statements for the year ended March 31, 2023, March 31, 2022 and March 31, 2021

5	Provisions	(Rs. In Lakhs)			(Rs. In Lakhs)		
		Long term			Short term		
		31 March 2023	31 March 2022	31 March 2021	31 March 2023	31 March 2022	31 March 2021
	Provision for gratuity	5.10	4.31	12.20	1.20	0.79	1.01
	Provision for Expense	-	-	-	48.85	121.04	7.88
	Provision for Tax	-	-	-	173.88	42.87	14.52
	<b>Total Provisions</b>	<b>5.10</b>	<b>4.31</b>	<b>12.20</b>	<b>223.93</b>	<b>164.69</b>	<b>23.41</b>

6	Short -term borrowings	(Rs. In Lakhs)		
		31 March 2023	31 March 2022	31 March 2021
	<u>Secured</u>			
	Loans repayable on demand from banks*	266.30	212.87	280.53
	<b>Total Short -term borrowings</b>	<b>266.30</b>	<b>212.87</b>	<b>280.53</b>

\* The Bank has informed the Company that no charge has to be created in the name of the Company as no property of Company has been secured for the said amount of Loan, accordingly the management of the Company is not required to file form CHG-1 for the said loan.

7	Trade payables	(Rs. In Lakhs)		
		31 March 2023	31 March 2022	31 March 2021
	(a) Total outstanding dues of micro enterprises and small enterprises	0.07	0.31	0.60
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	69.59	60.83	332.36
	<b>Total Trade payables</b>	<b>69.66</b>	<b>61.13</b>	<b>332.97</b>

Based on the information available with the Company, there are no outstanding dues and payments made to any supplier of goods and services beyond the specified period under Micro, Small and Medium Enterprises Development Act, 2006 [MSMED Act]. There is no interest payable or paid to any suppliers under the said Act.

Particulars	31 March 2023	31 March 2022	31 March 2021
(a) Amount remaining unpaid to any supplier at the end of each accounting year:			
Principal	-	-	-
Interest	-	-	-
<b>Total</b>	-	-	-
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	-	-	-



## TECHKNOWGREEN SOLUTIONS LIMITED

Notes forming part of the Restated Financial Statements for the year ended March 31, 2023, March 31, 2022 and March 31, 2021

### Trade Payables ageing schedule

(Rs. In Lakhs)

As at March 31, 2023 Particulars	Unbilled Payables	Payables Not Due	Current				Total
			Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	0.07	-	-	-	0.07
(ii) Disputed dues - MSME	-	-	-	-	-	-	-
(iii) Others	-	-	69.59	-	-	-	69.59
(iv) Disputed dues - Others	-	-	-	-	-	-	-
<b>Total</b>	-	-	<b>69.66</b>	-	-	-	<b>69.66</b>

(Rs. In Lakhs)

As at March 2022 Particulars	Unbilled Payables	Payables Not Due	Current				Total
			Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	0.21	0.05	0.05	-	0.31
(ii) Disputed dues - MSME	-	-	-	-	-	-	-
(iii) Others	-	-	22.31	5.70	4.42	28.40	60.83
(iv) Disputed dues - Others	-	-	-	-	-	-	-
<b>Total</b>	-	-	<b>22.52</b>	<b>5.75</b>	<b>4.47</b>	<b>28.40</b>	<b>61.13</b>

(Rs. In Lakhs)

As at March 2021 Particulars	Unbilled Payables	Payables Not Due	Current				Total
			Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	0.55	0.05	-	-	0.60
(ii) Disputed dues - MSME	-	-	-	-	-	-	-
(iii) Others	-	-	298.51	6.49	22.17	5.20	332.36
(iv) Disputed dues - Others	-	-	-	-	-	-	-
<b>Total</b>	-	-	<b>299.06</b>	<b>6.53</b>	<b>22.17</b>	<b>5.20</b>	<b>332.97</b>

		(Rs. In Lakhs)		
8	Other current liabilities	31 March 2023	31 March 2022	31 March 2021
(a)	ESIC Payable	0.39	-	-
(b)	PF Payable	3.21	-	-
(c)	Profession Tax	0.16	-	-
(d)	GST Payable	-	55.09	25.27
(e)	TDS Payable	13.22	11.28	13.41
(f)	Other payables	0.56	15.71	27.36
	<b>Total Other current liabilities</b>	<b>17.54</b>	<b>82.08</b>	<b>66.04</b>

## TECHKNOWGREEN SOLUTIONS LIMITED

Note 9 :- Property, Plant & Equipments as on March 31, 2023, March 31, 2022 and March 31, 2021

(Rs. In Lakhs)

Details of Assets	Net Block									
	As On 01/04/2020	Additions	Deductions	Total	As On 01/04/2020	For The Year	Deductions	As on 31/03/2021	As on 31/03/2021	As on 31/03/2020
<b>TANGIBLE ASSETS</b>										
Computers & Peripherals	6.55	-	-	6.55	5.89	0.31	-	6.19	0.35	0.66
Plant & Machinery	2.75	-	-	2.75	0.90	0.39	-	1.29	1.46	1.85
Office Equipments	2.97	-	-	2.97	1.99	0.60	-	2.59	0.38	0.98
Furniture	13.10	-	-	13.10	3.81	2.65	-	6.46	6.64	9.29
<b>INTANGIBLE ASSET</b>										
Software	-	-	-	-	-	-	-	-	-	-
	<b>25.37</b>	-	-	<b>25.37</b>	<b>12.59</b>	<b>3.95</b>	-	<b>16.54</b>	<b>8.83</b>	<b>12.78</b>
Figures of previous year	-	-	-	-	-	-	-	-	-	-

Details of Assets	Net Block									
	As On 01/04/2021	Additions	Deductions	Total	As On 01/04/2021	For The Year	Deductions	As on 31/03/2022	As on 31/03/2022	As on 31/03/2021
<b>TANGIBLE ASSETS</b>										
Computers & Peripherals	6.55	1.50	-	8.05	6.19	0.21	-	6.41	1.64	0.35
Plant & Machinery	2.75	-	-	2.75	1.29	1.02	-	2.31	0.44	1.46
Office Equipments	2.97	-	-	2.97	2.59	0.23	-	2.82	0.15	0.38
Furniture	13.10	-	-	13.10	6.46	2.49	-	8.95	4.15	6.64
<b>INTANGIBLE ASSET</b>										
Software	-	-	-	-	-	-	-	-	-	-
	<b>25.37</b>	<b>1.50</b>	-	<b>26.87</b>	<b>16.54</b>	<b>3.96</b>	-	<b>20.49</b>	<b>6.38</b>	<b>8.83</b>
Figures of previous year	25.37	-	-	25.37	12.59	3.95	-	16.54	8.83	12.78

## TECHKNOWGREEN SOLUTIONS LIMITED

Note 9 :- Property, Plant & Equipments as on March 31, 2023, March 31, 2022 and Macrh 31, 2021

(Rs. In Lakhs)

Details of Assets					Net Block					
	As On 01/04/2022	Additions	Deductions	Total	As On 01/04/2022	For The Year	Deductions	As on 31/03/2023	As on 31/03/2023	As on 31/03/2022
<b>TANGIBLE ASSETS</b>										
Computers & Peripherals	8.05	9.58	-	17.63	6.41	3.15	-	9.56	8.07	1.64
Plant & Machinery	2.75	4.40	-	7.15	2.31	0.17	-	2.48	4.67	0.44
Office Equipments	2.97	2.52	-	5.50	2.82	0.39	-	3.21	2.28	0.15
Furniture	13.10	-	-	13.10	8.95	1.20	-	10.15	2.95	4.15
<b>INTANGIBLE ASSET</b>										
Software	-	4.99	-	4.99	-	0.17	-	0.17	4.82	-
	<b>26.87</b>	<b>21.49</b>	<b>-</b>	<b>48.36</b>	<b>20.49</b>	<b>5.08</b>	<b>-</b>	<b>25.57</b>	<b>22.79</b>	<b>6.38</b>
<b>Figures of previous year</b>	<b>25.37</b>	<b>1.50</b>	<b>-</b>	<b>26.87</b>	<b>16.54</b>	<b>3.96</b>	<b>-</b>	<b>20.49</b>	<b>6.38</b>	<b>8.83</b>

## TECHKNOWGREEN SOLUTIONS LIMITED

Notes forming part of the Restated Financial Statements for the year ended March 31, 2023, March 31, 2022 and March 31, 2021

	(Rs. In Lakhs)		
	31 March 2023	31 March 2022	31 March 2021
<b>11 Other non-current assets</b>			
(Unsecured, considered good, unless stated otherwise)			
Retention, SDs & EMDs	190.69	186.16	245.62
Fixed Deposit	12.77	11.29	27.01
Other Receivable	11.97	-	-
<b>Total other non-current other assets</b>	<b>215.43</b>	<b>197.45</b>	<b>272.63</b>
<b>12 Inventories</b>			
(Valued at lower of cost and net realizable value, unless stated other wise)			
(a) Work-in-progress	382.84	262.76	237.92
<b>Total Inventories</b>	<b>382.84</b>	<b>262.76</b>	<b>237.92</b>
<b>13 Trade receivables</b>			
Secured, considered good	334.12	306.11	315.26
Unsecured, considered good	-	-	-
Unsecured, considered doubtful	-	-	-
	<b>334.12</b>	<b>306.11</b>	<b>315.26</b>
Less: Provision for doubtful receivables	-	-	-
<b>Total Trade receivables</b>	<b>334.12</b>	<b>306.11</b>	<b>315.26</b>
<b>14 Cash and Bank Balances</b>			
<b>Cash and cash equivalents</b>			
On current accounts	53.80	0.27	137.52
Cash on hand	5.13	8.53	4.10
<b>Total Cash and bank balances</b>	<b>58.93</b>	<b>8.81</b>	<b>141.62</b>
<b>15 Short term loans and advances</b>			
(Unsecured, considered good, unless stated otherwise)			
(a) Rent Deposit	0.55	0.51	0.59
(b) Amount receivable in cash or Kind	2.97	94.12	120.11
(c) Other loans and advances			
TDS receivable	187.64	52.40	75.56
Balance with statutory/government authorities	27.77	22.95	6.10
<b>Total</b>	<b>218.93</b>	<b>169.98</b>	<b>202.36</b>
<b>16 Other Current Assets</b>			
Other Current Assets	1.23	0.23	0.98
<b>Total Cash and bank balances</b>	<b>1.23</b>	<b>0.23</b>	<b>0.98</b>

## TECHKNOWGREEN SOLUTIONS LIMITED

Notes forming part of the Restated Financial Statements for the year ended March 31, 2023, March 31, 2022 and March 31, 2021

	(Rs. In Lakhs)		
	2022-23	2021-22	2020-21
<b>17 Revenue from operations</b>			
Sale of services	1,199.93	902.60	675.12
Project Implementation Services	283.92	84.73	105.61
Revenue from operations (Gross)	1,483.85	987.33	780.73
Less: Taxes, if any	-	-	-
Revenue from operations (Net)	<u>1,483.85</u>	<u>987.33</u>	<u>780.73</u>
<b>18 Other income</b>			
Interest income	2.02	1.99	3.83
Acturial Gain	0.42	9.77	0.71
<b>Total other income</b>	<u>2.44</u>	<u>11.77</u>	<u>4.54</u>
<b>19 Direct Expenses</b>			
Labour Charges	17.04	24.61	39.79
Professional Fees	0.02	34.49	11.65
Contract Expenses	-	-	276.54
Site Expenses	75.07	28.69	52.32
Transport Charges	3.80	0.28	1.60
Rent	-	-	3.50
<b>Total</b>	<u>95.93</u>	<u>88.08</u>	<u>385.40</u>
<b>20 Changes in inventories of finished goods, work in progress and stock-in trade</b>			
<b>Inventories at the beginning of the year:</b>			
Stock-in-trade	-	-	-
Work in progress	262.76	237.92	247.63
Finished goods	-	-	-
	<u>(i) 262.76</u>	<u>237.92</u>	<u>247.63</u>
<b>Inventories at the end of the year:</b>			
Stock-in-trade	-	-	-
Work in progress	382.84	262.76	237.92
Finished goods	-	-	-
	<u>(ii) 382.84</u>	<u>262.76</u>	<u>237.92</u>
<b>(Increase)/decrease in inventories of finished goods, work-in-progress and stock-in-trade</b>	<u>-120.08</u>	<u>-24.85</u>	<u>9.71</u>
<b>21 Employee benefits expense</b>			
Salaries and Wages	146.77	54.12	60.23
Director Remuneration	22.09	-	-
Staff Welfare Expense	12.56	-	-
Gratuity Expense	1.61	1.67	3.52
<b>Total Employee benefits expense</b>	<u>183.03</u>	<u>55.79</u>	<u>63.75</u>
<b>22 Finance cost</b>			
Interest expense	3.86	49.23	51.27
Bank charges	20.43	0.94	10.27
<b>Total Finance cost</b>	<u>24.29</u>	<u>50.17</u>	<u>61.54</u>

## TECHKNOWGREEN SOLUTIONS LIMITED

Notes forming part of the Restated Financial Statements for the year ended March 31, 2023, March 31, 2022 and March 31, 2021

(Rs. In Lakhs)

	2022-23	2021-22	2020-21
<b>23 Depreciation and amortization expense</b>			
on tangible assets	4.90	3.96	3.95
on intangible assets	0.17	-	-
<b>Total Depreciation and amortization expense</b>	<b>5.08</b>	<b>3.96</b>	<b>3.95</b>

	2022-23	2021-22	2020-21
<b>24 Other Expenses</b>			
Advertisement Expenses	13.80	1.37	0.29
Analysis & Monitoring Expenses	22.01	-	1.46
Bad debts	8.62	18.00	16.38
Office Expenses	11.09	5.92	1.64
Legal & Professional Fees	308.89	14.91	107.04
Government Dues	26.32	23.02	0.68
Travelling & Conveyance	5.80	4.64	1.75
Miscellaneous Expense	10.14	21.73	0.98
Debit & Credit Balances W/o	-0.60	-	-
Hotel Expenses	2.93	-	0.43
Insurance Expenses	0.04	-	0.05
Interest on TDS	0.60	-	0.01
Labour Expenses	0.81	5.45	14.04
Membership & Subscription	13.40	-	-
Postage and Courier Expenses	0.07	-	0.30
Power & Fuel	4.48	0.78	0.87
Printing & Stationery	2.95	3.79	0.92
Rental Expenses	4.08	0.21	3.26
Repairs & Maintenance	10.76	0.56	0.93
Telephone Expenses	0.80	1.70	3.90
Tender Expenses	0.20	0.35	1.42
Toll Expenses	-	-	-
Transport Charges	0.38	0.04	0.85
<b>Total Other expenses</b>	<b>447.58</b>	<b>102.47</b>	<b>157.21</b>

Note : The following is the break-up of Auditors remuneration (exclusive of goods and service tax)

	2022-23	2021-22	2020-21
<b>As auditor:</b>			
Statutory and Tax Audit	4.00	0.45	0.50
<b>Total</b>	<b>4.00</b>	<b>0.45</b>	<b>0.50</b>

	2022-23	2021-22	2020-21
<b>25 Earnings per share</b>			
Basic Earnings per Share			
a. Profit after Tax (amount in thousands)	451.38	108.18	37.17
b. Weighted average number of equity shares	50,96,264	50,96,264	50,96,264
c. Nominal value per equity shares	10.00	10.00	10.00
d. Earning Per Share (for Basic and diluted)	8.86	2.12	0.73

## TECHKNOWGREEN SOLUTIONS LIMITED

Notes forming part of the Restated Financial Statements for the year ended March 31, 2023, March 31, 2022 and March 31, 2021

### 26 Ratios

S No.	Ratio	Formula	Particulars		31 March 2023		31 March 2022	
			Numerator	Denominator	Numerator	Denominator	Numerator	Denominator
(a)	Current Ratio	Current Assets / Current Liabilities	Current Assets = Inventories + Current Investment + Trade Receivable + Cash & Cash Equivalents + Other Current Assets + Contract Assets + Assets held for Sale	Current Liability = Short term borrowings + Trade Payables + Other financial Liability+ Current tax (Liabilities) + Contract Liabilities+ Provisions + Other Current Liabilities	996.06	580.19	1,120.02	559.73
(b)	Debt-Equity Ratio	Debt / Equity	Debt= long term borrowing + Short-term borrowings	Equity= Share capital + Reserve and Surplus	287.40	633.63	285.86	727.99
(c)	Debt Service Coverage Ratio	Net Operating Income / Debt Service	Net Operating Income= Net profit after taxes + Non-cash operating expenses + finance cost	Debt Service = Interest & Lease Payments + Principal Repayments	480.75	250.75	162.30	335.09
(d)	Return on Equity Ratio	Profit after tax less pref. Dividend x 100 / Shareholder's Equity	Net Income= Net Profits after taxes - Preference Dividend	Shareholder's Equity	451.38	509.63	108.18	509.63
(e)	Inventory Turnover Ratio	Cost of Goods Sold / Average	Cost of Goods Sold	(Opening Inventory + Closing Inventory) /2	-	-	-	-
(f)	Trade Receivables Turnover	Net Credit Sales / Average Trade	Net Credit Sales	(Opening Trade Receivables + Closing Trade	1,483.85	320.12	987.33	310.68
(g)	Trade Payables Turnover Ratio	Net Credit Purchases / Average Trade Payables	Net Credit Purchases	(Opening Trade Payables + Closing Trade Payables) /2	225.96	0.19	572.50	0.45
(h)	Net Capital Turnover Ratio	Revenue / Average Working Capital	Revenue	Average Working Capital= Average of Current assets - Current liabilities	1,486.28	207.94	999.09	280.15
(i)	Net Profit Ratio	Net Profit / Net Sales	Net Profit	Net Sales	451.38	1,483.85	108.18	987.33
(j)	Return on Capital Employed	EBIT / Capital Employed	EBIT= Earnings before interest and taxes	Capital Employed= Total Assets - Current Liability	648.79	657.06	201.15	766.34
(k)	Return on Investment	Net Profit / Net Investment	Net Profit	Net Investment= Net Equity	451.38	633.63	108.18	727.99

## TECHKNOWGREEN SOLUTIONS LIMITED

Notes forming part of the Restated Financial Statements for the year ended March 31, 2023, March 31, 2022 and March 31, 2021

26 Ratios

(Rs. In Lakhs)

S No.	Ratio	Formula	Particulars		31 March 2021		Ratio as on	Ratio as on	Ratio as on
			Numerator	Denominator	Numerator	Denominator	31 March 2023	31 March 2022	31 March 2021
(a)	Current Ratio	Current Assets / Current Liabilities	Current Assets = Inventories + Current Investment + Trade Receivable + Cash & Cash Equivalents + Other Current Assets + Contract Assets + Assets held for Sale	Current Liability = Short term borrowings + Trade Payables + Other financial Liability+ Current tax (Liabilities) + Contract Liabilities+ Provisions + Other Current Liabilities	1,221.53	750.55	1.72	2.00	1.63
(b)	Debt-Equity Ratio	Debt / Equity	Debt= long term borrowing + Short-term borrowings	Equity= Share capital + Reserve and Surplus	450.71	619.82	0.45	0.39	0.73
(c)	Debt Service Coverage Ratio	Net Operating Income / Debt Service	Net Operating Income= Net profit after taxes + Non-cash operating expenses + finance cost	Debt Service = Interest & Lease Payments + Principal Repayments	102.66	501.98	1.92	0.48	0.20
(d)	Return on Equity Ratio	Profit after tax less pref. Dividend x 100 / Shareholder's Equity	Net Income= Net Profits after taxes - Preference Dividend	Shareholder's Equity	37.17	509.63	0.89	0.21	0.07
(e)	Inventory Turnover Ratio	Cost of Goods Sold / Average	Cost of Goods Sold	(Opening Inventory + Closing Inventory) /2	-	-	-	-	-
(f)	Trade Receivables Turnover	Net Credit Sales / Average Trade	Net Credit Sales	(Opening Trade Receivables + Closing Trade	780.73	304.94	4.64	3.18	2.56
(g)	Trade Payables Turnover Ratio	Net Credit Purchases / Average Trade Payables	Net Credit Purchases	(Opening Trade Payables + Closing Trade Payables) /2	52.62	0.30	1,208.73	1,263.68	175.14
(h)	Net Capital Turnover Ratio	Revenue / Average Working Capital	Revenue	Average Working Capital= Average of Current assets - Current liabilities	785.27	235.49	7.15	3.57	3.33
(i)	Net Profit Ratio	Net Profit / Net Sales	Net Profit	Net Sales	3,716.76	780.73	0.30	0.11	4.76
(j)	Return on Capital Employed	EBIT / Capital Employed	EBIT= Earnings before interest and taxes	Capital Employed= Total Assets - Current Liability	112.63	754.59	0.99	0.26	0.15
(k)	Return on Investment	Net Profit / Net Investment	Net Profit	Net Investment= Net Equity	37.17	619.82	0.71	0.15	0.06



## TECHKNOWGREEN SOLUTIONS LIMITED

Notes forming part of the Restated Financial Statements for the year ended March 31, 2023, March 31, 2022

### 27 Related Party Disclosure

Disclosure in respect of the Related party Transactions as per Accounting Standard 18 is given below

#### a) List of Related Parties and Relationship:

##### 1 Key Managerial Personnel (KMP)

- Dr. Ajay Ojha
- Prasad Pawar
- Aniket Kadam

##### 2 Related Party

- Wotastic Solutions Private Limited - Spouse of Director is Director
- Vijay Kadam - Father of KMP is proprietor
- Vibhawari Kadam - Mother of KMP is proprietor

Sr. No.	Nature of Transaction	(Rs. In Lakhs)		
		2022-23	2021-22	2020-21
	<b>Transaction during the year</b>			
	<b>a) Purchase</b>			
1	Vijay Kadam	-	7.96	-
2	Wotastic Solutions Private Limited	10.85	21.53	4.72
		<u>10.85</u>	<u>29.49</u>	<u>4.72</u>
	<b>b) Consultancy Expense</b>			
1	Wotastic Solutions Private Limited	4.72	-	-
2	Vibhawari Kadam	-	13.00	118.00
3	Aniket Kadam	27.00	-	-
4	Vijay Kadam	56.64	-	-
		<u>88.36</u>	<u>13.00</u>	<u>118.00</u>
	<b>c) Sales</b>			
1	Vibhawari Kadam	-	-	59.00
		<u>-</u>	<u>-</u>	<u>59.00</u>
	<b>d) Director Remuneration</b>			
1	Dr. Ajay Ojha	12.47	-	-
2	Prasad Pawar	9.62	-	-
		<u>22.09</u>	<u>-</u>	<u>-</u>
	<b>E) Loan taken</b>			
1	Aniket Kadam	9.40	-	7.50
2	Vibhawari Kadam	2.45	-	-
3	Vijay Kadam	35.00	-	-
		<u>46.85</u>	<u>-</u>	<u>7.50</u>
	<b>F) Loan repaid</b>			
1	Aniket Kadam	48.00	-	7.50
2	Vibhawari Kadam	4.50	-	-
3	Vijay Kadam	35.80	-	-
		<u>88.30</u>	<u>-</u>	<u>7.50</u>
	<b>Outstanding at the end of the year</b>			
	<b>a) Advance Outstanding</b>			
1	Aniket Kadam	-	57.40	48.00
		<u>-</u>	<u>57.40</u>	<u>48.00</u>
	<b>b) Creditors</b>			
1	Vibhawari Kadam	-	4.50	4.50
2	Vijay Kadam	-	0.80	-
		<u>-</u>	<u>5.30</u>	<u>4.50</u>
	<b>c) Debtors</b>			
1	Vibhawari Kadam	-	2.45	2.59
		<u>-</u>	<u>2.45</u>	<u>2.59</u>

## TECHKNOWGREEN SOLUTIONS LIMITED

Notes forming part of the Restated Financial Statements for the year ended March 31, 2023, March 31, 2022 and March 31, 2021

### 28 Part - A: Statement of restatement adjustments to audited consolidated financial statements

#### Reconciliation between audited Profit and restated profit

Particulars	31 March 2023	31 March 2022	31 March 2021
<b>Profit after tax (as per audited financial statements)</b>	624.50	150.98	51.09
Restatement adjustments :			
Interest on Capital	-36.18	-33.67	-13.50
Depreciation Effect	-5.98	1.57	1.13
Actuarial Gain as per restated	-	-9.77	-0.71
Interest on Income Tax	-	-	-1.90
Gratuity cost reversal	-15.59	-	-
Sax Tax of Firm	-184.77	-	-
Gratuity Cost	10.48	1.67	3.52
	-232.03	-40.21	-11.46
Tax impact on the above adjustments	-	-	-
<b>Total Impact on adjustments</b>	<b>-232.03</b>	<b>-40.21</b>	<b>-11.46</b>
<b>Restated Loss after tax for the period/year</b>	<b>392.47</b>	<b>110.77</b>	<b>39.63</b>

#### Non-adjusting events

(i) Audit qualifications for the respective years, which do not require any adjustments in the restated financial information are as follows:

There are no audit qualification in the auditor's reports on the financial statements for the year ended 31 March 2023, 31 March 2022 and 31 March 2021.

(ii) There were no qualifications in the Annexure to the Auditor's Reports issued under Companies (Auditor's Report) Order, 2016 on the financial statements of the Company for the year ended 31 March 2023. Other matters reported in the Annexure to the Auditor's Reports issued under Companies (Auditor's Report) Order, 2020 (herein after referred as "CARO 2020 Order") on the financial statements of the March 31, 2023 which do not require any adjustments in the restated financial information are as follows:

#### - As at and for the year ended 31 March 2023

Following are the qualifications/adverse remarks reported by us in the Order reports of the companies included in the financial statements for the year ended 31 March 2023 for which such Order reports have been issued till date:

Clause vii(a) and (b) of the CARO 2020 reporting

(a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. According to the information and explanation given to us, following are the arrears of the outstanding undisputed statutory dues on the last day of 31 March, 2023 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the company, We confirm that there are no dues in respect of the statutory dues referred in foregoing paragraph (vii) (a), which have not been deposited to/with the appropriate authority on account of any dispute except the following:

# TECHKNOWGREEN SOLUTIONS LIMITED

Notes forming part of the Restated Financial Statements for the year ended March 31, 2023, March 31, 2022 and March 31, 2021

**29 Details of Crypto Currency or Virtual Currency**

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

**30 Corporate Social Responsibility Expenditure (CSR)**

The provisions of section 135 of Companies Act, 2013 relating to expenditure on Corporate Social Responsibility are not applicable to the company, as networth/Turnover/ net Profit criteria are not achieved.

**31 Contingent Liabilities & Capital Commitments**

Particulars	31 March 2023	31 March 2022	31 March 2021
Contingent Liabilities & Capital Commitments not provided	1.35	-	-
Estimated amount of Committed Contracts (Net of Advances)	-	-	-
	<u>1.35</u>	<u>-</u>	<u>-</u>

**32** The Company does not have any layers of companies and therefore this clause is not applicable.

**33** There are no proceedings initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

**34** There are no transactions with the companies struck off under 248 of Companies Act, 2013 or Sec 560 of Companies Act, 1956.

**35** The Company do not have any immovable properties.

**36** The Company do not have any foreign currency transactions affected during the financial year ended 31/03/2023, 31/03/2022 and 31/03/2021

**37** The Company have raised funds through private placement, 3,42,466 equity shares of Rs.10 each at an issue price of Rs.73 per share on July 07, 2023.

**38** The authorized share capital was further increased from ₹5,50,00,000.00 divided into 55,00,000 Equity Shares of ₹10.00 each to ₹ 10,00,00,000.00 divided into 1,00,00,000 Equity Shares of ₹10.00 each vide Shareholders' Resolution dated May 02, 2023.

**39** The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies) except as reported in financial statement, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) except as disclosed in financial statement with the understanding (whether recorded in writing or otherwise) that the Company shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

As per our report of even date

**For Vishwas & Associates**  
Chartered Accountants  
FRN:- 143500W

For and on behalf of the Board of Directors of  
**Techknowgreen Solutions Limited**

**Vishwas Kalal**  
(Proprietor)  
M.No.: 174542

**Dr. Ajay Ojha**  
Managing Director  
DIN : 03549762

**Prasad Pawar**  
Director and CEO  
DIN : 02033491

**Aniket Kadam**  
Chief Finance officer

UDIN: 23174542BGWDET6722  
Place: Mumbai  
Date: 27/07/2023

**Vinayak Chindak**  
Company Secretary  
M. No.: A71144  
Place: Mumbai  
Date: 27/07/2023

## **OTHER FINANCIAL INFORMATION**

The audited financial statements of our Company as at and for the financial year ended March 31, 2023, March 31, 2022 and March 31, 2021 and their respective Audit reports thereon (Audited Financial Statements) are available at [www.techknowgreen.com](http://www.techknowgreen.com)

Our Company is providing a link to this website solely to comply with the requirements specified in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018.

The Audited Financial Statements do not constitute, (i) a part of this Draft Prospectus; or (ii) Prospectus, a statement in lieu of a prospectus, an advertisement, an offer or a solicitation of any issue or an offer document to purchase or sell any securities under the Companies Act, 2013, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018, or any other applicable law in India or elsewhere in the world. The Audited Financial Statements should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company and should not be relied upon or used as a basis for any investment decision. Neither our Company, nor Lead Manager, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein. The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below: -

*(Amount ₹ in Lakh, Except share data)*

<b>Particulars</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>
Profit After Tax	451.38	108.18	37.17
Basic & Diluted Earnings per Share (Based in Weighted Average Number of Shares)	8.86	2.12	0.73
Return on Net Worth (%)	71.24	30.40	12.54
NAV per Equity Shares (Based on Actual Number of Shares)	12.43	6.98	5.82
Earnings before interest, tax, depreciation and amortization (EBITDA)	653.87	205.10	116.58

## CAPITALISATION STATEMENT

(₹ in Lakh)

Particulars	Pre-Issue as at March 31, 2023	Adjusted for the Post-Issue*
<b>Borrowings</b>		
Short-Term Borrowings (A)	269.07	[●]
Long-Term Borrowings (B)	18.33	[●]
<b>Total Borrowings (C)</b>	<b>287.40</b>	<b>[●]</b>
<b>Shareholders' Fund (Equity)</b>		
Share Capital	509.63	[●]
Reserves & Surplus	124.00	[●]
<b>Total Shareholders' Fund (D)</b>	<b>633.63</b>	<b>[●]</b>
<b>Long-Term Borrowings/ Equity (B/D)</b>	<b>0.03</b>	<b>[●]</b>
<b>Total Borrowings/ Equity (C/D)</b>	<b>0.45</b>	<b>[●]</b>

(\*) The corresponding post issue figures are not determinable at this stage pending the completion of public issue and hence have not been furnished.

Notes:

1. Short term debt represents debts which are due within 12 months from 31st March, 2023.
2. Long term debt represent debt which are other than short term debts, as defined above.
3. The figure disclosed above are based on restated statement of Assets & Liabilities of the company as at 31st March, 2023.

## **MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULT OF OPERATIONS**

*You should read the following discussion of our financial condition and results of operations together with our restated financial statements for the financial year ended on March 31, 2023, 2022 and 2021 including the notes and significant accounting policies thereto and the reports thereon, which appear elsewhere in this Draft prospectus. You should also see the section titled “Risk Factors” beginning on page 23 of this Draft prospectus, which discusses a number of factors and contingencies that could impact our financial condition and results of operations. The following discussion relates to our Company, unless otherwise stated, is based on restated audited financial statements.*

*These financial statements have been prepared in accordance with Ind GAAP, the Companies Act and the SEBI (ICDR) Regulations and restated as described in the report of our auditors dated July 27, 2023 which is included in this Draft prospectus under the section titled “Restated Financial Statements” beginning on page 150 of this Draft Prospectus. The restated financial statements have been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. We do not provide a reconciliation of our restated financial statements to US GAAP or IFRS and we have not otherwise quantified or identified the impact of the differences between Indian GAAP and U.S. GAAP or IFRS as applied to our restated financial statements.*

*This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those described under “Risk Factors” and “Forward Looking Statements” beginning on pages 23 and 17 respectively, and elsewhere in this draft prospectus.*

*Accordingly, the degree to which the financial statements in this draft prospectus will provide meaningful information depends entirely on such potential investor's level of familiarity with Indian accounting practices. Our F.Y. ends on March 31 of each year; therefore, all references to a particular fiscal are to the twelve-month period ended March 31 of that year. Please also refer to section titled “Certain Conventions, Use of Financial Information and Market Data and Currency of Financial Presentation” beginning on page 15 of this draft prospectus.*

### **BUSINESS OVERVIEW**

We are an environmental consulting company with 20+ years of experience, headquartered in Pune, India. Our key offerings include Consulting – Regulatory | Sustainability, Technology – Execution | Info Tech and Research – Policy | Engineering. We are one of the first companies in India providing environmental IT solutions through cutting-edge software applications and compliance solutions. We have diverse experience in handling complex projects across various industries like infrastructure, chemical, automobile, healthcare, manufacturing, real estate, and national/state governments. Our client base includes government, semi government organization, MNCs, large companies, mid-size companies and MSMEs.

#### **Key Performance Indicators of our Company:**

There are no reportable Key Performance Indicators (KPIs) of the Company which are getting used to track the performance of the Company and disclosed in this Draft Prospectus apart from the Financial Statements.

### **STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

For details in respect of Statement of Significant Accounting Policies, please refer to Note 1 of Restated Financial Statements under section titled “Restated Financial Statements” beginning on page 150 of this Draft Prospectus.

### **SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS**

Our business, financial condition and results of operations have been, and are expected to be, influenced by numerous factors. The most important factors that have had, and that we expect will continue to have, a significant impact on our Business, results of operations and financial condition follows below:

1. The impact of COVID-19 on our results of operations and financial conditions;

2. Acquiring new Customers;
3. Research & Development;
4. Retaining our customers;
5. Expanding partnerships;
6. Our ability to successfully implement our strategy, our growth and expansion;
7. Ability to respond to technological changes;
8. Our ability to expand our geographical area of operation;
9. Our ability to protect our intellectual property rights and not infringing intellectual property rights of other parties;
10. Our ability to meet our capital expenditure requirements;
11. Fail to attract, retain and manage the transition of our management team and other skilled & unskilled employees;
12. Our ability to successfully implement our strategy, our growth and expansion.
13. Conflicts of interest with affiliated companies, the promoter group and other related parties;
14. Occurrence of natural disasters or calamities affecting the areas in which we have operations;

#### RESULTS OF OUR OPERATION (₹ in Lakh)

Particulars	31-03-2023	% of total income	31-03-2022	% of total income	31-03-2021	% of total income
Revenue from Operations	1,483.85	99.84%	987.33	98.82%	780.73	99.42%
Other income	2.44	0.16%	11.77	1.18%	4.54	0.58%
<b>Total Revenue (A)</b>	<b>1,486.28</b>	<b>100.00%</b>	<b>999.09</b>	<b>100.00%</b>	<b>785.27</b>	<b>100.00%</b>
<b>Expenses:</b>						
Direct Expense	95.93	6.45%	88.08	8.82%	385.40	49.08%
Purchases	225.96	15.20%	572.50	57.30%	52.62	6.70%
Changes in inventories of finished goods, work-in-progress and stock-in-trade	-120.08	-8.08%	-24.85	-2.49%	9.71	1.24%
Employee Benefits Expense	183.03	12.31%	55.79	5.58%	63.75	8.12%
Other expenses	447.58	30.11%	102.47	10.26%	157.21	20.02%
<b>Total Expenses (B)</b>	<b>832.42</b>	<b>56.01%</b>	<b>793.99</b>	<b>79.47%</b>	<b>668.68</b>	<b>85.15%</b>
<b>Earnings Before Interest, Taxes, Depreciation &amp; Amortization (C=A-B)</b>	<b>653.86</b>	<b>43.99%</b>	<b>205.10</b>	<b>20.53%</b>	<b>116.58</b>	<b>14.85%</b>
Finance costs (D)	24.29	1.63%	50.17	5.02%	61.54	7.84%
Depreciation and amortization expenses (E)	5.08	0.34%	3.96	0.40%	3.95	0.50%
<b>Profit before exceptional items, extraordinary items and tax (F=C-D-E)</b>	<b>624.50</b>	<b>42.02%</b>	<b>150.98</b>	<b>15.11%</b>	<b>51.09</b>	<b>6.51%</b>
<b>Exceptional Items</b>	-	<b>0.00%</b>	-	<b>0.00%</b>	-	<b>0.00%</b>
Gratuity Provision for earlier years	-	0.00%	-	0.00%	-	0.00%
<b>Profit before tax (F=C-D-E)</b>	<b>624.50</b>	<b>42.02%</b>	<b>150.98</b>	<b>15.11%</b>	<b>51.09</b>	<b>6.51%</b>
<b>Tax Expenses</b>						
- Current Tax	173.88	11.70%	42.87	4.29%	14.52	1.85%
- Short/(Excess) Provision of Earlier Year	-	0.00%	-	0.00%	-	0.00%
MAT Credit Entitlement	-		-		-	
- Deferred Tax	-0.76	-0.05%	-0.06	0.00%	-0.59	-0.08%
<b>Tax Expense for the Year (G)</b>	<b>173.12</b>	<b>11.65%</b>	<b>42.80</b>	<b>4.28%</b>	<b>13.92</b>	<b>1.77%</b>
<b>Profit after tax (H=F-G)</b>	<b>451.38</b>	<b>30.37%</b>	<b>108.18</b>	<b>10.83%</b>	<b>37.17</b>	<b>4.73%</b>

## **Key Components of Company's Statement of Profit and Loss based on the Restated Financial Information**

The following descriptions set forth information with respect to the key components of our profit and loss statements.

### ***Revenue:***

Revenue consists of revenue from operations and other income.

***Revenue from operations:*** Revenue of operations comprises revenue from Sale of services, Project implementation services.

***Other income:*** Other income comprises of interest income and actuarial gain.

### ***Expenses:***

Expenses consist of Direct expenses, purchases, changes in inventories of finished goods, work-in-progress and stock-in-trade, employee benefits expenses, finance cost, depreciation and amortization expense and other expenses.

***Direct Expenses:*** Direct Expenses includes labour charges, professional fees, contract expenses, site expenses, transport charges and rent.

***Purchases:*** Purchase of stock in trade incurred for the expenses related to various projects in hand for which the billing is already done & respective expenses are to be done towards successful closure of same.

***Changes in inventories of finished goods, work-in-progress and stock-in-trade:*** Changes in inventories of finished goods, work-in-progress and stock-in-trade comprises of net increase or decrease in the inventory of stock-in-trade.

***Employee benefits expenses:*** Employee benefits expenses comprise salaries and wages, Director Remuneration, staff welfare expense, and gratuity expense.

***Other expenses:*** Other expenses primarily comprise expenses relating to advertisement expenses, analysis& monitoring Expenses, Bad debts, office expenses, Legal & professional fees, government dues, travelling & conveyance, miscellaneous expense, debit & credit balances w/o, hotel expenses, insurance expenses, interest on TDS, Labour expenses, Membership & subscription, postage & courier expenses, power & fuel, printing & stationery, rental expenses, repair & maintenance, telephone expenses, tender expenses, and transport charges.

***Financial cost:*** Financial cost comprises interest expenses and bank charges.

***Depreciation and amortization expense:*** Depreciation and amortization expense relate to depreciation of tangible assets (property, plant and equipment), depreciation on right-of-use assets and amortization of intangible assets. Intangible assets include our software licenses.

***Tax Expense:*** Tax expense consists of current tax and deferred tax.

## **Fiscal 2023 compared with Fiscal 2022**

### **Total Revenue**

Our total revenue increased by 48.76% to ₹1,486.28 Lakh for the Financial Year 2023 from ₹999.09 Lakh for the Financial Year 2022, primarily due to increase in the revenue from operations of the company.

***Revenue from Operation:*** Revenue from operations had increased by 50.29% from ₹987.33 Lakh in Fiscal 2022 to ₹1,483.85 Lakh in Fiscal 2023. The change was primarily due to increase in Business Opportunities in the field of Environmental consultancy especially due to NABET certification and corresponding addition of consulting business of Environmental Impact Assessment (EIA) & Environmental Clearance (EC).



**Other Income:** Other income had decreased by 79.28% to ₹2.44 Lakh in Fiscal 2023 from ₹11.77 Lakh in Fiscal 2022 due to decrease in actuarial gain since the transition to NABET certification and cost of talent hired for purposes of specialized service such as EIA & EC increased.

### **Total Expenses**

Our increase in total expenses represented 4.84% of our total expenses, to ₹832.42 Lakh in the Financial Year 2023 from ₹793.99 Lakh in the Financial Year 2022, due to the factors described below:

**Direct expenses:** Our direct expenses increased by 8.92% to ₹95.93 Lakh in the Financial Year 2023 from ₹88.08 Lakh in the Financial Year 2022. Incline is due to increase in Site expenses and transport charges.

**Purchases:** Our purchase cost decreased by 60.53% to ₹225.96 Lakh for the Financial Year 2023 from ₹ 572.50 Lakh for the Financial Year 2022 primarily due to decrease in turnkey project component which required purchase of materials and manpower for implementation.

**Changes in inventories of finished goods, work-in-progress and stock-in-trade:** Changes in inventory of finished goods, work-in-progress and stock in trade increased by 383.31% to (₹120.08) Lakh for the Financial Year 2023 from (₹24.85) Lakh for the Financial Year 2022 primarily due to decrease in the certification of bills by the respective concerned authorities.

**Employee Benefit Expenses:** Employee benefit expenses had increased by 228.07% from ₹55.79 Lakh in Fiscal 2022 to ₹183.03 Lakh in Fiscal 2023. This increase was primarily due to increase in number of employees and general increase in salary & wages, Director remuneration and staff welfare expenses.

**Other Expenses:** Other expenses had increased by 336.78% from ₹102.47 Lakh in Fiscal 2022 to ₹447.58 Lakh in Fiscal 2023 majorly due to increase in advertisement expenses, analysis & monitoring expenses, Office expenses, Legal & professional fees, hotel expenses, membership & subscription, power & fuel, Rental expenses, repaid & maintenance and transport charges.

**Finance Costs:** Finance Costs had decreased by 51.58% from ₹50.17 Lakh in Fiscal 2022 to ₹24.29 Lakh in Fiscal 2023, this was primarily due to decrease in interest paid during the financial year.

**Depreciation and amortization expense:** Our depreciation and amortization expense increased by 28.29% to ₹ 5.08 Lakh for the Financial Year 2023 from ₹3.96 Lakh for the Financial Year 2022, which is in line with our additions of property, plant and equipment's and intangible assets

**Total tax expenses:** Our total tax expenses increased by 304.49% to ₹173.12 Lakh for the Financial Year 2023 from ₹42.80 Lakh for the Financial Year 2022 generally in line with increase in profit before tax.

**Profit after tax:** As a result of the foregoing our profit after tax increased by 317.26% to ₹451.37 Lakh for the Financial Year 2023 from ₹108.18 Lakh for the Financial Year 2022. Thus, on increase of 48.76% on total revenue of our Company achieved an increase in profit after tax of 30.37% during the Financial Year 2023.

### **Fiscal 2022 compared with Fiscal 2021**

#### **Total Revenue**

Our total revenue increased by 27.23% to ₹999.09 Lakh for the Financial Year 2022 from ₹785.27 Lakh for the Financial Year 2021, primarily due to increase in the revenue from operations of the company.

**Revenue from Operation:** Revenue from operations had increased by 26.46% from ₹780.73 Lakh in Fiscal 2021 to ₹987.33 Lakh in Fiscal 2022. The change was primarily due to increase in Business Opportunities in the field of Environmental consultancy especially due to NABET certification and corresponding addition of consulting business of Environmental Impact Assessment (EIA) & Environmental Clearance (EC).

**Other Income:** Other income had increased by 159.34 % from ₹4.54 Lakh in Fiscal 2021 to ₹11.77 Lakh in Fiscal 2022 due to increase in actuarial gain.

#### **Total Expenses**

Our increase in total expenses represented 18.74% of our total expenses, to ₹793.99 Lakh in the Financial Year 2022 from ₹668.68 Lakh in the Financial Year 2021, due to the factors described below:

**Direct expenses:** Our direct expenses decreased by 77.15% to ₹88.08 Lakh in the Financial Year 2022 from ₹385.40 Lakh in the Financial Year 2021. Our direct expenses declined by 77.15% due to decrease in labour charges, contract expenses, site expenses, transport charges and rent.

**Purchases:** Our purchase cost increased by 987.93% to ₹572.50 Lakh for the Financial Year 2022 from ₹ 52.62 Lakh for the Financial Year 2021 primarily due to increased purchase of materials pertaining to turnkey projects involving construction and Mechanical, electrical & plumbing as well as contract labour force for execution.

**Changes in inventories of finished goods, work-in-progress and stock-in-trade:** Changes in inventory of finished goods, work-in-progress and stock in trade decreased by 355.90% to (₹24.85) Lakh for the Financial Year 2022 from ₹9.71 Lakh for the Financial Year 2021 primarily due to decrease in the pending works.

**Employee Benefit Expenses:** Employee benefit expenses had decreased by 12.48% from ₹63.75 Lakh in Fiscal 2021 to ₹55.79 Lakh in Fiscal 2022. This decreased was primarily due to manpower vis a vis work optimization.

**Other Expenses:** Other expenses had decreased by 34.82% from ₹157.21 Lakh in Fiscal 2021 to ₹102.47 Lakh in Fiscal 2022 majorly due to decrease in legal & professional fees, power & fuel, rental expenses, repair & maintenance, telephone expenses, tender expenses and transport charges. There were few expenses which was not incurred in the Fiscal 2022 i.e. analysis & monitoring expenses, hotel expenses, insurance expenses, and postage & courier expenses.

**Finance Costs:** Finance Costs had decreased by 18.48% from ₹61.54 Lakh in Fiscal 2021 to ₹50.17 Lakh in Fiscal 2022, this was primarily due to decrease in interest expense and bank charges during the financial year.

**Depreciation and amortization expense:** Our depreciation and amortization expense increased by 0.13% to ₹ 3.96 Lakh for the Financial Year 2022 from ₹3.95 Lakh for the Financial Year 2021, which is in line with our addition of property, plant and equipment's.

**Total tax expenses:** Our total tax expenses increased by 207.39% to ₹42.80 Lakh for the Financial Year 2022 from ₹13.92 Lakh for the Financial Year 2021 generally in line with increase in profit before tax.

**Profit after tax:** As a result of the foregoing our profit after tax increased by 191.05% to ₹108.18 Lakh for the Financial Year 2022 from ₹37.17 Lakh for the Financial Year 2021. Thus, on increase of 27.23% on total revenue of our Company achieved an increase in profit after tax of 10.83% during the Financial Year 2022.

## Cash Flows

(₹ in Lakh)

Particulars	For the year ended March 31,		
	2023	2022	2021
Net cash flows from / (used in) operating activities	262.76	53.22	776.65
Net cash flow from / (used in) investing activities	(19.47)	0.49	3.83
Net cash flow from / (used in) financing activities	(193.16)	(186.53)	(672.01)
Total cash and bank balances at end of the year	58.93	8.81	141.62

## Operating Activities

### Financial Year 2023

Net cash generated from operating activities was ₹262.76 Lakh for the Financial Year 2023. While our net profit before tax was ₹624.50 Lakh for the Financial Year 2023, we had an operating cash inflow before working capital changes and tax of ₹173.88 Lakh, primarily as a result of depreciation and amortisation expenses of ₹5.08 Lakh and net interest expenses of ₹1.84 Lakh. Our working capital adjustment was primarily due to decrease in loan and advances, trade receivables and other assets by ₹48.95 Lakh, ₹28.01 Lakh and by ₹18.98 Lakh, respectively and due to increase in other current liabilities by ₹64.54 Lakh and decrease in trade payables by ₹8.53 Lakh.

### *Financial Year 2022*

Net cash generated from operating activities was ₹53.22 Lakh for the Financial Year 2022. While our net profit before tax was ₹150.98 Lakh for the Financial Year 2023, we had an operating cash inflow before working capital changes and tax of ₹42.87 Lakh, primarily as a result of depreciation and amortisation expenses of ₹3.96 Lakh and net interest expenses of ₹47.24 Lakh. Our working capital adjustment was primarily due to increase in loans & Advances, trade receivables and other assets by ₹32.38 Lakh, ₹9.14 Lakh and by ₹75.94 Lakh, respectively and due to increase in trade payables by ₹271.83 Lakh and decrease in other current liabilities by ₹16.04 Lakh.

### *Financial Year 2021*

Net cash generated from operating activities was ₹776.65 Lakh for the Financial Year 2021. While our net profit before tax was ₹51.09 Lakh for the Financial Year 2021, we had an operating cash inflow before working capital changes and tax of ₹14.52 Lakh, primarily as a result of depreciation and amortisation expenses of ₹3.95 Lakh and net interest expenses of ₹47.44 Lakh. Our working capital adjustment was primarily due to increase in loans & advances by ₹335.24 Lakh decrease in trade receivables and other assets by ₹20.64 Lakh and by ₹68.40 Lakh, respectively and due to decrease in trade payables and other current liabilities by ₹184.31 Lakh and ₹23.02 Lakh respectively.

### **Investing Activities**

#### *Financial Year 2023*

Net cash used in the investing activities was ₹19.47 Lakh in the Financial Year 2023, primarily on account of net payment for property, plant and equipment's and intangible assets amounting to ₹21.49 Lakh. Other movements are in line with the business requirements.

#### *Financial Year 2022*

Net cash generated from the investing activities was ₹0.49 Lakh in the Financial Year 2022, primarily on account of net payment for property, plant and equipment's amounting to ₹1.50 Lakh. Other movements are in line with the business requirements.

#### *Financial Year 2021*

Net cash generated from the investing activities was ₹3.83 Lakh in the Financial Year 2021, the movements are in line with the business requirements.

### **Financing Activities**

#### *Financial Year 2023*

Net cash used in the financing activities was ₹193.16 Lakh in the Financial Year 2023, primarily consisting outflow from financing activities amounting to ₹15.69 Lakh, payment of interest amounting to ₹3.86 Lakh and adjustment on account of conversion from firm to Company amounting to ₹173.61 Lakh. Other movements are in line with the business requirements.

#### *Financial Year 2022*

Net cash used in the financing activities was ₹186.53 Lakh in the Financial Year 2022, primarily consisting outflow from financing activities amounting to ₹88.55 Lakh, payment of interest amounting to ₹49.23 Lakh and adjustment on account of conversion from firm to Company amounting to ₹48.74 Lakh. Other movements are in line with the business requirements.

#### *Financial Year 2021*

Net cash used in the financing activities was ₹349.01 Lakh in the Financial Year 2021, primarily consisting outflow from financing activities amounting to ₹297.74 Lakh, payment of interest amounting to ₹51.27 Lakh and adjustment on account of conversion from firm to Company amounting to ₹323.39 Lakh. Other movements are in line with the business requirements.

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

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

**1. *Unusual or infrequent events or transactions***

There has not been any unusual trend on account of our business activity. Except as disclosed in this Draft Prospectus, there are no unusual or infrequent events or transactions in our Company.

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

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

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

Apart from the risks as disclosed under Section “*Risk Factors*” beginning on page 23 in the Draft Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

**4. *Future changes in relationship between costs and revenues***

Other than as described in the sections “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 23, 104 and 179 respectively, to our knowledge, no future relationship between expenditure and income is expected to have a material adverse impact on our operations and finances.

**5. *Total turnover of each major industry segment in which our Company operates***

Our business activity primarily falls within a single business and geographical segment, i.e. is engaged in the business of environment consulting, technology and R&D, as disclosed in “*Restated Financial Statements*” on page 150, we do not follow any other segment reporting.

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

Except as disclosed in the Section “*Our Business*” on page 104, our Company has not announced any new product or service.

**7. *Seasonality of business***

Our business is not subject to seasonality. For further information, see “*Industry Overview*” and “*Our Business*” on pages 87 and 104, respectively.

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

We derive a significant portion of our revenues from government, semi-government organizations and corporations. The loss of any one or more of our major customers would have a material effect on our business operations and profitability. Our revenue comes from environmental consultancy and environment-based project implementation services. Our top 10 customers relating to such entities contribute 51.65%, 26.92% and 30.82% of our revenues during the financial year 2022-23, 2021-22 and 2020-21 respectively.

**9. *Competitive conditions***

Competitive conditions are as described under the sections “*Industry Overview*” and “*Our Business*” beginning on pages 87 and 104, respectively of the Draft Prospectus.

**10. *Details of material developments after the date of last balance sheet i.e. March 31, 2023***

Except as stated below, there are, to our knowledge, no significant developments after the date of the last financial statements contained in this Draft Prospectus which materially and adversely affects, or is likely to affect, our operations or profitability, or the value of our assets, or our ability to pay our liabilities within the next 12 months.

- i. Our Company has passed a board resolution for increase in authorized share capital in board meeting held on April 03, 2023 and Shareholder's Resolution in Extra-Ordinary Meeting held on May 02, 2023.
- ii. Our Company has passed a board resolution for adoption of new set of Articles of Association in board meeting held on April 03, 2023 and Shareholder's Resolution in Extra-Ordinary Meeting held on May 02, 2023.
- iii. Our Company has passed a Board Resolution for Initial Public Offer in Board Meeting held on April 03, 2023 and Shareholder's Resolution in Extra-Ordinary Meeting held on May 02, 2023.
- iv. Our Company has constituted IPO Committee vide board resolution dated April 03, 2023.
- v. Our Company has appointed M/s. Vishwas & Associates as Statutory Auditors due to casual vacancy in Board Meeting held on April 11, 2023 and Shareholders' meeting held on May 05, 2023
- vi. Our Company has appointed Vinayak Vijay Chindak as Company Secretary and Compliance Officer w.e.f. May 08, 2023.
- vii. Our Company has constituted an Audit Committee, Nomination and Remuneration Committee and Stakeholder's Relationship Committee and Internal Complaints Committee vide board resolution dated May 08, 2023, as per the applicable provisions of the Section 177 of the Companies Act, 2013 and also to comply with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 applicable upon listing of the Company's Equity shares on SME platform of BSE Limited.
- viii. Our Company has adopted various policies/ code of conduct in terms of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the SEBI (Prohibition of Insider Trading), Regulations, 2015 as amended vide board resolution dated May 08, 2023.
- ix. Our Company had issued of 3,42,466 equity shares to the investors on private placement on June 16, 2023 and allotted the same on July 07, 2023.

**STATEMENTS OF FINANCIAL INDEBTEDNESS**

Our Company utilizes various credit facilities from banks for conducting its business.

Set forth below is a brief summary of all the borrowings of our Company as on March 31, 2023 together with a brief description of certain significant terms of such financing arrangements.

**A. SECURED LOANS:**

**STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS**

<b>Name of Lender</b>	<b>Purpose</b>	<b>Sanctioned Amount (₹ in Lakh)</b>	<b>Rate of interest</b>	<b>Primary &amp; Collateral Security</b>	<b>Re-Payment Schedule</b>	<b>Outstanding amount as on 31.03.2023 as per Books (₹ in Lakh)</b>	<b>Outstanding amount as on 30.06.2023 as per Books (₹ in Lakh)</b>
ICICI BANK	MSME	30.00	9.50%	Collateral Security		18.33	15.71
ICICI BANK	Cash Credit	280.00	9.50%	Collateral Security	Notwithstanding anything contrary contained in any Transaction Document, the Interest on the outstanding amount under the Facilities shall be charged in the Account and payable on the 2nd day of every month for the Interest Period. "Interest Period" means the period commencing from the Interest debit date in the preceding calendar month and ending one day prior to the Interest debit date of the following calendar month. Initially, the Interest shall be debited/charged from the date of first utilization in a calendar month upto one day prior to the Interest debit date of the following calendar month and thereafter Interest shall be debited/charged on the 2 <sup>nd</sup> day of every successive month	266.30	261.75
<b>Total (Fund Based)</b>						<b>284.63</b>	<b>277.46</b>
<b>Total (Non Fund Based)</b>						<b>100.00</b>	<b>100.00</b>
<b>Grand Total (Fund &amp; Non Fund Based)</b>						<b>384.63</b>	<b>377.46</b>

Principal terms of the bank borrowings availed by us: -

**Standard conditions: -**

1. Borrower shall not avail finance from any other bank/entity for the aforesaid purpose without prior written

approval of ICICI Bank.

2. Interest payment on unsecured loans shall be subservient to the interest payment to ICICI Bank Ltd.
3. Valuation of the property offered as collateral to be done once in every three years from the date of last valuation. ICICI Bank may however, revalue the property at any time that it may deem fit.
4. Loan approval is valid subject to legal & technical clearance of the property offered as collateral security and shall be done by ICICI Internal technical team/ICICI approved lawyer.
5. Funds will not be diverted to sister concerns and associate concerns if any.
6. Funds would be used for the purpose for which the facilities have been availed and funds will.

**The Bank Borrowing is being Secured Guarantee personal property of directors**

Legal search and fitment report from ICICI Bank empaneled lawyer of property located at

1. Flat no.103, C Building, 1<sup>st</sup> Floor, Dew Drops Apartment, Survey No 44, Dhanori, Pune - 411015 Maharashtra, India
2. Flat no 202, 2<sup>nd</sup> Floor, Hem Opal Apartment, Survey No. 21322, Survey No 22 A (part), sub plot No5, Final Plot No.26, Shivajinagar Pune – 411015, Maharashtra, India
3. Flat no 601, 6th Floor, Building B, Kamal raj Balaji Residency, Survey No 8485, Dighi Pune – 411015, Maharashtra, India prior to disbursement (if older than 3 years up to 5 years then RH approval to be taken and if older than 5years then revalidation report to be taken)

**B. UNSECURED LOANS:**

The Company have also availed certain unsecured borrowings amount to ₹2.77 Lakh. Set forth below is the brief summary of unsecured borrowings as of March 23, 2023:

**From:**

1. Ajay Ramakant Ojha - ₹0.27 Lakh
2. Prasad Rangrao Pawar - ₹2.50 Lakh

## **SECTION X: LEGAL AND OTHER INFORMATION**

### **OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS**

*The details of outstanding litigation or proceedings relating to our Company and our Directors and our Promoter are described in this section in the manner as detailed below.*

Except as stated in this section and mentioned elsewhere in this Draft Prospectus, there are no (i) criminal proceedings, (ii) actions taken by statutory or regulatory authorities, (iii) disciplinary action including penalty imposed by the SEBI or stock exchanges against our Promoters in the last 5 Financial Years, including outstanding action, (iv) claims related to direct and indirect taxes in a consolidated manner, (v) details of any other pending material litigation which are determined to be material as per a policy adopted by our Board, in each case involving our Company, Promoters, and Directors (“**Relevant Parties**”) (vi) inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 against our Company since its incorporation from the date of this Draft Prospectus; (vii) pending proceedings initiated against our Company for economic offences; (viii) material frauds committed by or against our Company since its incorporation from the date of this Draft Prospectus; (ix) defaults for non-payment of statutory dues; (x) fines imposed or compounding of offences against our Company since its incorporation from the date of this Draft Prospectus; (xi) matters involving our Company pertaining to violations of securities law; and (xii) outstanding dues to material creditors and small scale undertakings.

For the purpose of (v) above, our Board in its meeting held on May 08, 2023 has considered and adopted a policy of materiality for identification of material litigation involving the Relevant Parties, to be disclosed by our Company in this Draft Prospectus:

In terms of the Materiality Policy, all pending litigation involving the Relevant Parties, (i) other than criminal proceedings, actions by regulatory authorities and statutory authorities, (ii) disciplinary actions including penalty imposed by SEBI or stock exchanges against the Promoters in the last 5 Financial Years including outstanding action, and tax matters, would be considered ‘material’ if:

- a) The monetary amount of claim by or against the entity or person in any such pending proceeding is in excess of ₹ 10,00,000/-.
- b) The outcome of any such pending proceedings may have a bearing on the business, operations, performance, prospects or reputation of our Company.

Except as stated in this section, there are no outstanding material dues to creditors; or (ii) outstanding dues to small scale undertakings and other creditors.

For this purpose, our Board, in its meeting held on May 08, 2023 considered and adopted a policy of materiality for identification of material outstanding dues to creditors. Further, in terms of this Materiality Policy, outstanding dues to any creditors of our Company having monetary value which exceeds 10% of the total outstanding amount of creditors of our Company as per the Restated Financial Statements for the Financial Year ended March 31, 2023 shall be considered as material dues (“**Material Dues**”). For outstanding dues to any party which is a MSME, the disclosure will be based on information available with our Company regarding status of the creditor as defined under the Micro, Small and Medium Enterprises Development Act, 2006, as amended read with the rules and notifications thereunder, as has been relied upon by its Statutory Auditor. Details of outstanding dues to material creditors as required under the SEBI ICDR Regulations have been disclosed on our website at <http://www.techknowgreen.com/>.

Unless otherwise stated to the contrary, the information provided is as of the date of this Draft Prospectus.



## I. Litigation involving our Company

<b>A. Litigation against our Company</b>		
<b>Sr. No.</b>	<b>Litigation Involving</b>	<b>No. of Proceedings</b>
a)	Criminal Proceedings	Nil
b)	Civil Proceedings	Nil
c)	Actions by Statutory/ Regulatory Authorities <sup>1</sup>	Nil
d)	Claims related to Direct and Indirect Taxes, in a consolidated manner	5
e)	Other Pending Litigations based on Materiality Policy	Nil
f)	Wilful Defaulter: Our Company does not appear on the Wilful Defaulters' list as per the Reserve Bank of India circular on Wilful Defaulters'.	

<b>B. Litigation filed by our Company</b>		
<b>Sr. No.</b>	<b>Litigation Involving</b>	<b>No. of Proceedings</b>
a)	Criminal Proceedings	Nil
b)	Civil Proceedings	5*
c)	Actions by Statutory/ Regulatory Authorities	Nil
d)	Claims related to Direct and Indirect Taxes, in a consolidated manner	Nil
e)	Other Pending Litigations based on Materiality Policy	Nil

<sup>1</sup>The Regulatory or Statutory Authorities for the purpose of this Section include but are not limited to SEBI, RBI etc.

\*Out of 5 cases, 2 cases are amounting below ₹ 10.00 Lakh

### b). Civil cases filed by our Company

1. The Company has filed Case No. MH/26/M/PNE/01529 (Application No. MH26D0001106/M/00006) on MSME SAMADHAAN Portal before Micro & Small Enterprises Facilitation Council (MSEFC), Pune on June 08, 2020, for recovery of money under the provisions of section 18(1) of Delay Payment to MSE of the Micro, Small and Medium Enterprises Development Act, 2006. The Complaint has been filed by the Company against the East Delhi Municipal Council for recovery of the payment of ₹ 4,31,60,642/- (Rupees Four Crore Thirty-One Lakhs Sixty Thousand Six hundred and Forty-Two only).

The matter is currently pending.

2. The Company has filed Case No. MH/26/M/PNE/03307 (Application No. MH26D0001106/M/00017) on MSME SAMADHAAN Portal before Micro & Small Enterprises Facilitation Council (MSEFC), Pune on October 11, 2021, for recovery of money under the provisions of section 18(1) of Delay Payment to MSE of the Micro, Small and Medium Enterprises Development Act, 2006. The Complaint has been filed by the Company against the Bharat Heavy Electricals Limited for recovery of payment of Rs. 37,19,596/- (Rupees Thirty-Seven Lakhs Nineteen Thousand Five Hundred Ninety-Six only).

The matter is currently pending.

3. The Company has filed Case No. MH/26/M/PNE/01519 (Application No. MH26D0001106/M/00005) on MSME SAMADHAAN Portal before Micro & Small Enterprises Facilitation Council (MSEFC), Pune on June 06, 2020, for recovery of money under the provisions of section 18(1) of Delay Payment to MSE of the Micro, Small and Medium Enterprises Development Act, 2006. The Complaint has been filed by the Company against M/s. Premier Limited for recovery of payment of Rs. 27,67,930/- (Rupees Twenty-Seven Lakhs Sixty-Seven Thousand Nine Hundred Thirty only).

The matter is currently pending.

## II. Litigation involving Director/s of our Company

<b>A. Litigation against Director/s of our Company</b>		
<b>Sr. No.</b>	<b>Litigation Involving</b>	<b>No. of Proceedings</b>
a)	Criminal Proceedings	Nil
b)	Civil Proceedings	Nil
c)	Actions by Statutory/ Regulatory Authorities	Nil
d)	Other Pending Litigations based on Materiality Policy	Nil
e)	Wilful Defaulter: None of our Directors appear on the Wilful Defaulters' list as per the Reserve Bank of India circular on Wilful Defaulters'.	

<b>B. Litigations filed by our Director/s</b>		
<b>Sr. No.</b>	<b>Litigation Involving</b>	<b>No. of Proceedings</b>
a)	Criminal Proceedings	Nil
b)	Civil Proceedings	Nil
c)	Actions by Statutory/ Regulatory Authorities	Nil
d)	Other Pending Litigations based on Materiality Policy	Nil

## III. Litigation involving our Promoter/s

<b>A. Litigation against our Promoter/s</b>		
<b>Sr. No.</b>	<b>Litigation Involving</b>	<b>No. of Proceedings</b>
a)	Criminal Proceedings	Nil
b)	Civil Proceedings	Nil
c)	Actions by Statutory/ Regulatory Authorities	Nil
d)	Other Pending Litigations based on Materiality Policy	Nil
e)	Disciplinary Action Including Penalty Imposed By SEBI/ Stock Exchanges Against Our Promoters in the last 5 Financial Years including Outstanding Action	Nil
f)	Wilful Defaulter: None of our Promoters appear on the Wilful Defaulters' list as per the Reserve Bank of India circular on Wilful Defaulters'.	

<b>B. Litigations filed by our Promoter/s</b>		
<b>Sr. No.</b>	<b>Litigation Involving</b>	<b>No. of Proceedings</b>
a)	Criminal Proceedings	Nil
b)	Civil Proceedings	Nil
c)	Actions by Statutory/ Regulatory Authorities	Nil
d)	Claims related to Direct and Indirect Taxes, in a consolidated manner	Nil
e)	Other Pending Litigations based on Materiality Policy	Nil

## IV. Tax Proceedings

<b>Nature of Proceedings</b>	<b>Number of cases</b>	<b>Amount involved* (₹. in lakhs)</b>
<b><i>Against the company</i></b>		
Direct Tax (Income Tax)	5	1.73
Indirect Tax	Nil	Nil
<b><i>Filed by the company</i></b>		
Direct Tax (Income Tax)	Nil	Nil
Indirect Tax	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>

<i>Against the Promoters and Directors</i>		
<b>Mr. Ajay Ramakant Ojha</b>		
Direct Tax (Income Tax)	Nil	Nil
Indirect Tax	1	23.54
<b>Total</b>	<b>1</b>	<b>23.54</b>

\*To the extent quantifiable

## V. Litigation involving our Group Companies

Our Group company does not have any pending litigation which can have a material impact on our Company.

## VI. Disclosures pertaining to wilful defaulters and fraudulent borrower:

Neither our Company or the Promoters and nor our Directors are or have been classified as a wilful defaulter or as a fraudulent borrower by a bank or financial institution or a consortium thereof in accordance with the guidelines on wilful defaulters issued by RBI.

### Material Developments since the last Balance Sheet Date

Except as mentioned under the section titled ‘*Management’s Discussion and Analysis of Financial Condition and Results of Operations*’ beginning on page 179 of this Draft Prospectus, in the opinion of our Board, there have not arisen any material developments, since the date of the last financial information disclosed in this Draft Prospectus, any circumstances that materially or adversely affect or are likely to affect our profitability or the value of our consolidated assets or our ability to pay material liabilities within the next 12 months.

### Outstanding Dues to Creditors of our Company

As of March 31, 2023, the total outstanding dues to such creditors by our Company was ₹ **69.66 Lakh**, on a consolidated basis.

Details of outstanding dues owed as at March 31, 2023 to MSME and other creditors are set out below:

Sr. No.	Particular	Number of creditors	Balance as on March 31, 2023 (₹ in Lakh)
1.	Material Creditors	4	56.21
2.	Dues to micro, small and medium enterprises (the “ <b>Small-scale undertaking</b> ”)	1	0.07
3.	Other creditors	37	13.38
	<b>Total Outstanding</b>	<b>42</b>	<b>69.66</b>

The details pertaining to amounts due towards the material creditors are available on the website of our Company at <http://www.techknowgreen.com/>

Information provided on the website of our Company is not a part of this Draft Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company’s website, <http://www.techknowgreen.com/>, would be doing so at their own risk.

## GOVERNMENT AND OTHER STATUTORY APPROVALS

Disclosed below is an indicative list of material and necessary approvals, licenses and registrations obtained by our Company to undertake its businesses. In view of such approvals, licenses and registrations, our Company can undertake its business activities, as currently conducted and disclosed in this Draft Prospectus. Except as mentioned below, no further material approvals from any governmental or regulatory authority or any other entity are required to undertake our current business activities. Additionally, unless otherwise stated herein and in the section “Risk Factors” on page 23, these approvals, licenses and registrations are valid as on the date of this Draft Prospectus. Certain approvals, licenses and registrations may expire periodically in the ordinary course and applications for renewal of such expired approvals are submitted in accordance with applicable requirements and procedures. For details in connection with the regulatory and legal framework within which we operate, see “Key Industrial Regulations and Policies” on page 112

### A. Approvals in relation to Our Company’s incorporation

Sr. No.	Authorization granted	Issuing Authority	Registration No./ CIN	Date of Issue	Valid up to
1	Certificate of incorporation in the name of “Techknowgreen Solutions Limited”	Registrar of Companies, Central Registration Centre	U90000PN2023PLC217501	January 16, 2023	Valid until cancelled.

### B. Approvals in relation to the Issue:

#### *Corporate Approvals:*

1. Our Board of Directors has, pursuant to a resolution passed at its meeting held on April 03, 2023, authorised the Issue subject to the approval by the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013 and approvals by such other authorities as may be necessary.
2. The shareholders of our Company have authorised the Issue, pursuant to a special resolution under Section 62(1)(c) of the Companies Act, 2013, passed at their EGM held on May 02, 2023

#### *Approvals from Stock Exchange:*

1. Our Company has obtained in-principle approval dated [●], 2023 from the SME Platform of BSE Limited.

#### *Other Approvals*

1. Our Company’s International Securities Identification Number (“ISIN”) is INE0P4P01011.

### C. Approvals/ Licenses/ Permissions in relation to our Business:

#### *Tax related Approvals:*

Sr. No.	Authorization granted	Issuing Authority	Registration No. / Reference No. / License No.	Applicable Act/ Regulation	Valid up to
1	Permanent Account Number (PAN)	Income Tax Department, GoI	AAJCT9287E	Income Tax Act, 1961	Valid until cancelled.
2	Tax Deductions and Collection Amount	Income Tax Department, GoI	MUMT27552A	Income Tax Act, 1961	Valid until cancelled.
3	Form GST REG-06 Certificate of Registration	Government of India and Government of Maharashtra. (Mumbai)	27AAJCT9287E1ZR	Goods and Service Tax Act, 2017	Valid until cancelled.



4	Form GST REG-06 Certificate of Registration	Government of India and Government of Delhi	07AAJCT9287E1ZT	Goods and Service Tax Act, 2017	Valid until cancelled.
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**Other Approvals:**

1	Udyam Registration Certificate	Government of India	UDYAM-MH-26-0393625	Ministry of Micro, Small and Medium Enterprises	Valid until cancelled.
2	Professional Tax Enrolment Certificate (PTEC)	Professional Tax Officer	99484453124P	The Maharashtra State Tax on Profession, Trades, Callings and Employments. Act, 1975.	Valid till cancelled
3	Professional Tax Registration Certificate (PTRC)	Professional Tax Officer	27352085110P	The Maharashtra State Tax on Profession, Trades, Callings and Employments. Act, 1975.	Valid till cancelled
4	Registration under Employees' Provident Funds	Ministry of Labour and Employment, Government of India	PUPUN2847702000	Employees' Provident Fund and Miscellaneous Provisions Act, 1952	Valid until cancelled.
5	Registration under Employees' State Insurance	Ministry of Labour and Employment, Government of India	33001084200000999	Employees State Insurance Act, 1948	Valid until cancelled.
6	Importer Exporter Code	Ministry of Commerce and Industry, Directorate General of Foreign Trade	AAJCT9287E	Foreign Trade (Development and Regulation) Act, 1992	Valid until cancelled.

**D. Intellectual Property Registration**

Our Company has obtained registration and/ or made applications for the registration of the following trademark with Trademark Registry, Government of India.

Sr. No.	Brand Name/ TradeMark	Classes	Registration / Application No.	Applicant	Date of Registration / Application	Current Status
1		42	3858157	Technogreen Environmental Solutions*	June 13, 2018	Registered
2		42	5921672	Techknowgreen Solutions Limited	May 04, 2023	Send To Vienna Codification

The Details of Domain Name registered on the name of the Company is: -

<b>Domain Name and ID</b>	<b>Sponsoring Registrar and IANA ID</b>	<b>Registrant Name</b>	<b>Creation Date</b>	<b>Registration Expiry Date</b>
Domain Name: <a href="http://www.techknowgreen.com">www.techknowgreen.com</a> Registry Domain ID: 146394668	Registrar: Godaddy Registrar IANA No.: 146	Ajay Ramakant Ojha	January 16, 2023	January 16, 2024

**E. Approvals applied for but not yet received / Renewals made in the usual course of business:**

1. Shops & Establishment Registration applied under Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Rules, 2018

**F. Material licenses / approvals for which our Company is yet to apply for / Statutory Approvals / Licenses required:**

Nil

## **OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **Authority for the Issue**

#### Corporate Approvals

- Our Board has approved the Issue pursuant to the resolution passed at its meeting held on April 03, 2023, subject to the approval of the Equity Shareholders of our Company under Section 62(1)(c) of the Companies Act 2013.
- Our Equity Shareholders have authorised the Issue, by passing special resolution at the Extra Ordinary General Meeting held on May 02, 2023 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013.

### **In-principal Approval**

We have received in-principle approval from BSE Limited vide their letter dated [●], 2023 to use the name of BSE in this Offer Document for listing of our Equity Shares on the SME Platform of BSE Limited. BSE is the Designated Stock Exchange.

## **PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES**

We confirm that our Company, Promoter, Promoter Group and Directors have not been declared as wilful defaulter(s) or fraudulent borrowers by the RBI or any other governmental authority. Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

We confirm that our Company, Promoter, Promoter Group or Directors have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI or any other regulatory or Governmental Authority.

- Neither our Company, nor Promoter, nor Promoter Group, nor any of our Directors or persons in control of our Company are / were associated as promoter, directors or persons in control of any other Company which is debarred from accessing or operating in the capital markets under any order or directions made by the SEBI or any other regulatory or Governmental Authorities.
- None of our Directors are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our Directors are associated as Promoter or Director.
- Neither our Promoter, nor Promoter Group, nor any of our Directors is declared as Fugitive Economic Offender.
- Neither our Company, nor our Promoter, nor Promoter Group nor our Directors, are Wilful Defaulters or fraudulent borrowers.

## **PROHIBITION BY RBI**

Neither our Company, nor Promoter, nor Promoter Group, nor any of our Directors or the person(s) in control of our Company have been identified as a wilful defaulter or fraudulent borrowers. by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided under section titled “*Outstanding Litigations and Material Developments*” beginning on page 189 of this Draft Prospectus.

## **COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018**

Our Company, the Promoter and the members of the Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 (“SBO Rules”), to the extent applicable, as on the date of this Draft Prospectus.

## DIRECTORS ASSOCIATED WITH THE SECURITIES MARKET

None of our Directors are associated with the Securities Market in any manner and no action has been initiated against these entities by SEBI at any time except as stated under the sections titled “*Outstanding Litigations and Material Developments*” beginning on page 189 respectively, of this Draft Prospectus.

## ELIGIBILITY FOR THE ISSUE

Our Company is an “unlisted issuer” in terms of the SEBI (ICDR) Regulations, 2018 and this Issue is an “Initial Public Offer” in terms of the SEBI (ICDR) Regulations, 2018.

Our Company is eligible in terms of Regulation 228, 229(1) and 230 of SEBI (ICDR) Regulations, 2018 and other provisions of Chapter IX of the SEBI (ICDR) Regulations, 2018, Our Company is eligible for the Issue in accordance with Regulation 229(1) of the SEBI (ICDR) Regulations, 2018 and other provisions of Chapter IX of the SEBI (ICDR) Regulations, 2018, as we are an Issuer whose post issue paid up capital shall not be more than ₹ 25 Crores and we may hence, Issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the “SME Platform of BSE Limited”).

### We confirm that:

In accordance with Regulation 260 of the SEBI (ICDR) Regulations, 2018, this Issue is 100% underwritten and that the Lead Manager to the Issue shall underwrite minimum 15% of the total issue size. For further details pertaining to said underwriting please refer to section titled “*General Information*” beginning on page 51 of this Draft Prospectus.

In accordance with Regulation 261 of the SEBI (ICDR) Regulations, 2018, we hereby confirm that we have entered into an agreement with the Lead Manager and a Market Maker to ensure compulsory Market Making for a minimum period of three years from the date of listing of Equity Shares in this Issue on the SME Platform of BSE Limited. For further details of the arrangement of market making please refer to section titled “*General Information*” beginning on page 51 and details of the Market Making Arrangements for this please refer to section titled “*The Issue*” beginning on page 46 of this Draft Prospectus.

In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, 2018, we shall ensure that the total number of proposed allottees in the Issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight working days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight working days, be liable to repay such application money, with an interest at the rate as prescribed under SEBI (ICDR) Regulations 2018, the Companies Act, 2013 and applicable laws. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and / or imprisonment in such a case.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

Our Company is also eligible for the Issue in accordance with eligibility norms for Listing on SME Platform of BSE Limited which states as follows:

1. Our Company was incorporated on January 02, 2023 with the Registrar of Companies, Central Registration Centre under the Companies Act, 2013 in India.
2. The Paid-up Capital of the Company is ₹ 543.87 Lakh comprising 54,38,730 equity shares and we are proposing issue up to 20,00,000 Equity Shares of ₹10/- each at Issue price of ₹[●] per Equity Share including share premium of ₹[●] per Equity Share, aggregating to ₹[●] Lakh. Hence, the post issue Paid up Capital of the company will be ₹ [●] Lakh comprising [●] Equity Shares which is less than ₹25 Crore.
3. The Net worth of our Company is positive as on March 31, 2023 is ₹633.63 Lakh.
4. Our Company have a Net Tangible Assets of ₹433.85 Lakh as on March 31, 2023.



5. The Company including its erstwhile partnership firm have combined track record of 3 years. Our Company's networth, net tangible asset and cash accruals are set forth below:

(₹ in Lakh)

Particulars	For the financial year ended on March 31		
	2023	2022	2021
Networth <sup>(1)</sup>	633.63	355.86	296.43
Cash Accruals <sup>(2)</sup>	629.58	154.93	55.04
Net Tangible Assets <sup>(3)</sup>	433.85	194.54	156.42

<sup>(1)</sup> Net Worth has been computed as the aggregate of equity shares capital and reserves (excluding revaluation reserves) and after deducting miscellaneous expenditure not written off, if any.

<sup>(2)</sup> Cash accruals has been defined as the Earnings before depreciation and tax from operations.

<sup>(3)</sup> Net Tangible Assets are defined as the sum of total fixed assets plus current assets minus current liabilities minus intangible assets

6. To facilitate trading in demat securities, our Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent (RTA):
- Tripartite agreement dated March 15, 2023 with Central Depository Services Limited (CDSL), our Company and RTA.
  - Tripartite agreement dated March 22, 2023 with National Securities Depository Limited (NSDL), our Company and RTA.
- The Company's shares bear an ISIN: INE0P4P01011
7. Our Company has a live and operational website: [www.techknowgreen.com](http://www.techknowgreen.com)
8. The Company has not been referred to Board for Industrial and Financial Reconstruction.
9. Our Company has not been referred to the National Company Law Tribunal (NCLT) under Insolvency and Bankruptcy Code, 2016.
10. None of the Directors of our Company have been categorized as a Wilful Defaulter or fraudulent borrowers.
11. There is no winding up petition against the Company, which has been admitted by a court of competent jurisdiction or liquidator has not been appointed.
12. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
13. There has been no change in the promoter(s) of the Company in the one year preceding the date of filing application to BSE for listing on SME Platform of BSE Limited.

We further confirm that we shall be complying with all other requirements as laid down for such Issue under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

We further confirm that we comply with all the above requirements / conditions so as to be eligible to be listed on the SME Platform of BSE Limited.

#### **COMPLIANCE WITH PART A OF SCHEDULE VI OF THE SEBI (ICDR) REGULATIONS, 2018**

Our Company is in compliance with the provisions specified in Part A of Schedule VI of the SEBI (ICDR) Regulations, 2018. No exemption from eligibility norms has been sought under Regulation 300 of the SEBI (ICDR) Regulations, 2018, with respect to the Issue.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT PROSPECTUS TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI.**

**SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT PROSPECTUS. THE LEAD MERCHANT BANKER, INDORIENT FINANCIAL SERVICES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT PROSPECTUS, THE LEAD MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, INDORIENT FINANCIAL SERVICES LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED [●], 2023.**

**THE FILING OF THE DRAFT PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT PROSPECTUS.**

**Note:**

The filing of this Draft Prospectus does not, however, absolve our Company from any liabilities under sections 34, 35, 36 and 38(1) of the Companies Act, 2013 or from the requirement of obtaining such statutory and other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the Lead Manager any irregularities or lapses in this Draft Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Pune in terms of Section 26 of the Companies Act, 2013.

**DISCLAIMER STATEMENT FROM OUR COMPANY AND THE LEAD MANAGER**

Our Company and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft Prospectus or, in case of the Company, in any advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website [www.techknowgreen.com](http://www.techknowgreen.com) would be doing so at his or her own risk.

The Lead Manager to the Issue accepts no responsibility, save to the limited extent as provided in the Issue Agreement entered between the Lead Manager to the Issue and our Company on July 20, 2023 and the Underwriting Agreement dated July 20, 2023 entered into between the Underwriters and our Company and the Market Making Agreement dated July 20, 2023 entered into among the Market Maker and our Company.

All information shall be made available by our Company and the Lead Manager to the Issue to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere.

The Lead Manager to the Issue and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter, our Promoter Group, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter, our Promoter Group, and our affiliates or associates, for which they have received and may in future receive compensation.

**CAUTION**

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not Offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Issue.

#### PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER

For details regarding the price information and track record of the past issue handled by M/s. Indorient Financial Services Limited, as specified in Circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015 issued by SEBI, are as below:

Sr. No.	Issuer Name	Issue Size (Cr)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark] - 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 180th calendar days from listing
1	Secmark Consultancy Limited	15.04	135.00	October 01, 2020	134.00	-50.71, [2.37]	-58.92, [23.05]	-55.07, [26.65]
2	eMudhra Limited	412.79	256.00	June 01, 2022	271.00	-2.61, [-4.27]	38.81, [4.68]	20.79, [12.49]

#### Summary Statement of Disclosure

Financial year	Total no. of IPOs	Total amount of funds raised (₹ Cr.)	No. of IPOs trading at discount-30 <sup>th</sup> calendar days from listing			No. of IPOs trading at Premium-30 <sup>th</sup> calendar days from listing			No. of IPOs trading at discount-180 <sup>th</sup> calendar days from listing			No. of IPOs trading at Premium-180 <sup>th</sup> calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2020-21	1	15.04	1	Nil	Nil	Nil	Nil	Nil	1	Nil	Nil	Nil	Nil	Nil
2022-23	1	412.79	Nil	Nil	1	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1

#### Track record of past issues handled by the LM

For details regarding track record of the Lead Manager to the Issue as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the Lead Manager at: <https://www.indorient.in/>

#### DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, AIFs state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of ₹ 2,500.00 Lakh and pension funds with a minimum corpus of ₹ 2,500.00 Lakh, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. The Draft Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Prospectus comes is required to inform him or herself about, and to observe, any such restrictions.

Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Pune, Maharashtra only.

No action has been, or will be, taken to permit a public Issuing in any jurisdiction where action would be required for that purpose, except that this Draft Prospectus has been filed at SME Platform of BSE Limited for its observations and BSE will give its observations in due course. Accordingly, the Equity Shares represented hereby may not be Issued or sold, directly or indirectly, and this Draft Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws, legislations and Draft Prospectus in each jurisdiction, including India.

#### **DISCLAIMER CLAUSE OF THE SME PLATFORM OF BSE LIMITED**

BSE Limited (“BSE”) has vide its letter dated [●] given permission to “Techknowgreen Solutions Limited” to use its name in the Offer Document as the Stock Exchange on whose Small and Medium Enterprises Platform (“SME Platform”) the Company’s securities are proposed to be listed. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Company. BSE does not in any manner:

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. warrant that this Company’s securities will be listed on completion of Initial Public Offering or will continue to be listed on BSE; or
- iii. take any responsibility for the financial or other soundness of this Company, its Promoter, its management or any scheme or project of this Company.
- iv. warrant, certify, or endorse the validity, correctness or reasonableness of the price at which the equity shares are offered by the Company and investors are informed to take the decision to invest in the equity shares of the Company only after making their own independent enquiries, investigation and analysis. The price at which the equity shares are offered by the Company is determined by the Company in consultation with the

Merchant Banker to the Issue and the Exchange has no role to play in the same and it should not for any reason be deemed or construed that the contents of this offer document have been cleared or approved by BSE. Every person who desires to apply for or otherwise acquire any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription / acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

- v. BSE does not in any manner be liable for any direct, indirect, consequential or other losses or damages including loss of profits incurred by any investor or any third party that may arise from any reliance on this offer document or for the reliability, accuracy, completeness, truthfulness or timeliness thereof.
- vi. The Company has chosen the SME Platform on its own initiative and its own risk, and is responsible for complying with local laws, rules, regulations, and other statutory or regulatory requirements stipulated by BSE / other regulatory authority. Any use of the SME Platform and the related services are subject to Indian laws and courts exclusively situated in Mumbai.

#### **DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT**

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be Issued or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be Issued and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those Issues and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be Issued or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

#### **FILING**

The Draft Prospectus is being filed with SME Platform of BSE Limited at P.J. Towers, Dalal Street, Fort, Mumbai-400001, Maharashtra, India.

The Draft Prospectus has not been filed with SEBI, nor has SEBI issued any observation on the Offer Document. Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

A copy of the Prospectus along with the material contracts and documents as referred in the Prospectus will be file to the Registrar of Companies, Pune.

#### **LISTING**

Application have been made to SME Platform of BSE Limited for obtaining permission for listing of the Equity Shares being offered and sold in the issue on its SME Platform of BSE Limited after the allotment in the Issue. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform of BSE Limited is not granted by BSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Draft Prospectus. The allotment letters shall be issued or application money shall be refunded / unblocked within such time prescribed by SEBI or else the application money shall be refunded to

the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of fifteen per cent per annum for the delayed period as prescribed under Companies Act, 2013, the SEBI (ICDR) Regulations and other applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE Limited mentioned above are taken within 6 Working Days of the Issue Closing Date.

The Company has obtained approval from BSE vide letter dated [●] to use the name of BSE in this issue document for listing of equity shares on SME Platform of BSE Limited.

## **IMPERSONATION**

Attention of the Applicants is specifically drawn to the provisions of Section 38(1) of the Companies Act, 2013 which is reproduced below:

*Any person who-*

- *Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- *Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- *Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable to action under Section 447 of the Companies, Act 2013.*

## **CONSENTS**

Consents in writing of (a) Our Directors, Promoter, Chief Executive Officer, Chief Financial Officer, Peer Review Auditor and Statutory Auditor, Key Managerial Personnel; (b) Lead Manager, Underwriters, Market Maker, Registrar to the Issue and Legal Advisor to the Issue to act in their respective capacities shall be obtained as required as required under Section 26 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the ROC. Our Statutory Auditor holding Peer Reviewed Certificate has given their written consent to the inclusion of their report in the form and context in which it appears in this Draft Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Prospectus for filing with the ROC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, 2018, M/s. Vishwas & Associates, Peer Review Auditor and Statutory Auditors of the Company have agreed to provide their written consent to the inclusion of their respective reports on “**Statement of Special Tax Benefits**” relating to the possible tax benefits and restated financial statements as included in this Draft Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of this Draft Prospectus.

## **EXPERT TO THE ISSUE**

Except as stated below, our Company has not obtained any expert opinions:

- Report of the Statement of Special Tax Benefits.
- Report of the Auditor on the Restated Financial Statements of our Company for the Financial Year ended on March 31, 2023; 2022 and 2021 of our Company dated July 27, 2023.

## **EXPENSES TO THE ISSUE**

The expenses of this Issue include, among others, underwriting and management fees, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. For details of total expenses of the Issue, refer to section “*Objects of the Issue*” beginning on page 70 of this Draft Prospectus.

#### **DETAILS OF FEES PAYABLE**

##### **Fees Payable to the Lead Manager**

The total fees payable to the Lead Manager will be as per the Mandate Letter issued by our Company to the Lead Manager, the copy of which is available for inspection at our Registered Office.

##### **Fees Payable to the Registrar to the Issue**

The fees payable to the Registrar to the Issue will be as per the Agreement signed by our Company and the Registrar to the Issue dated July 20, 2023 copy of which is available for inspection at our Registered Office. The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, and stamp duty and communication expenses. Adequate funds will be provided by the Company to the Registrar to the Issue to enable them to send refund orders or allotment advice by registered post / speed post / under certificate of posting.

##### **Fees Payable to Others**

The total fees payable to the Legal Advisor, Auditor and Advertiser, etc. will be as per the terms of their respective engagement letters if any.

#### **UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION**

The underwriting commission and the selling commission for the Issue are as set out in the Underwriting Agreement amongst the Company and Underwriters. The underwriting commission shall be paid as set out in the Underwriting Agreement based on the Issue price and the amount underwritten in the manner mentioned in accordance with Section 40 of the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rule, 2013.

#### **PREVIOUS RIGHTS AND PUBLIC ISSUES SINCE THE INCORPORATION**

We have not made any previous rights and / or public issues since incorporation and are an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, 2018 and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations, 2018.

#### **CAPITAL ISSUES IN THE LAST THREE (3) YEARS BY LISTED GROUP COMPANIES / SUBSIDIARY / ASSOCIATES**

None of our Group Company / Associates that are listed on any Stock Exchange has made any Capital Issue in the last three (3) years. We do not have any subsidiary as on date of this Draft Prospectus.

#### **PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH**

Except as stated in the section titled “*Capital Structure*” beginning on page 60 of this Draft Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

#### **COMMISSION AND BROKERAGE ON PREVIOUS ISSUES**

Since this is the Initial Public Offer of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares since our inception.

#### **PARTICULARS IN REGARD TO OUR COMPANY AND OTHER LISTED COMPANIES UNDER THE SAME MANAGEMENT WITHIN THE MEANING OF SECTION 370(1B) OF THE COMPANIES ACT,**

## **1956 / SECTION 186 OF THE COMPANIES ACT, 2013 WHICH MADE ANY CAPITAL ISSUE DURING THE LAST THREE YEARS.**

None of the equity shares of Companies under same management are listed on any recognized stock exchange. None of the above companies have raised any capital during the past 3 years.

## **PROMISE VERSUS PERFORMANCE FOR OUR COMPANY**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, 2018, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations, 2018. Therefore, data regarding promise versus performance is not applicable to us.

## **LISTED SUBSIDIARY / PROMOTER**

We do not have any listed Subsidiary or Promoter Company as on date of this Draft Prospectus.

## **OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY**

As on the date of this Draft Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

## **STOCK MARKET DATA FOR OUR EQUITY SHARES**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, 2018, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations, 2018. Thus, there is no stock market data available for the Equity Shares of our Company.

## **MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES**

The Agreement between the Registrar and Our Company provides for retention of records with the Registrar for a period of at least three years from the last date of dispatch of the letters of allotment, demat credit and unblocking of funds to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as the name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA applicants.

## **DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY**

Our Company has appointed Bigshare Services Private Limited as the Registrar to the Issue to handle the investor grievances in co-ordination with the Compliance Officer of the Company. All grievances relating to the present Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

The Registrar to the Issue will handle investor’s grievances pertaining to the Issue. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. The Company would also be co-ordinating with the Registrar to the Issue in attending to the grievances to the investor.

All grievances relating to the ASBA process may be addressed to the SCSBs, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant. We estimate that the average time required by us or the Registrar to the Issue or the SCSBs for the redressal of routine investor grievances will be seven business days from the date of receipt of the complaint. In case of non-routine complaints



and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

We have constituted the Stakeholders Relationship Committee of the Board *vide* resolution passed at the Board Meeting held on May 08, 2023. For further details, please refer to the section titled “**Our Management**” beginning on page 124 of this Draft Prospectus.

Our Company has appointed Vinayak Chindak as Company Secretary and Compliance Officer and he may be contacted at the following address:

**VINAYAK CHINDAK**

Company Secretary & Compliance Officer,  
**TECHKNOWGREEN SOLUTIONS LIMITED**

Flat-202, Hem Opal Apartment, Plot No. 26,  
Ekta Park Society, Wakdewadi Pune - 411003,  
Maharashtra, India.

**Tel:** 9607002553

**E-mail:** [cs@techknowgreen.com](mailto:cs@techknowgreen.com)

**Website:** [www.techknowgreen.com](http://www.techknowgreen.com)

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any Pre-Issue or Post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or unblocking of funds, etc.

**Status of Investor Complaints**

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Prospectus and hence there are no pending investor complaints as on the date of this Draft Prospectus.

**Disposal of Investor Grievances by Listed Companies under the same Management**

None of our Group Companies / Associates / Subsidiary are listed on any Stock Exchange as on the date of filing this Draft Prospectus.

**CAPITALISATION OF RESERVES OR PROFITS**

Save and except as stated in the section titled “**Capital Structure**” beginning on page 60 of this Draft Prospectus, our Company has not capitalized its reserves or profits during the last five years.

**REVALUATION OF ASSETS**

Our Company has not revalued its assets since incorporation.

**TAX IMPLICATIONS**

Investors who are allotted Equity Shares in the Issue will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchange. For details, please refer the section titled “**Statement of Special Tax Benefits**” beginning on page 84 of this Draft Prospectus.

**PURCHASE OF PROPERTY**

Other than as disclosed in this Draft Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Draft Prospectus.

Except as stated elsewhere in this Draft Prospectus, our Company has not purchased any property in which the Promoter and / or Directors have any direct or indirect interest in any payment made there under.

**SERVICING BEHAVIOR**

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

#### **PAYMENT OR BENEFIT TO OFFICERS OF OUR COMPANY**

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation. Except as disclosed under sections titled "*Our Management*" and '*Related Party Transactions*' under section titled "*Restated Financial Statement*" beginning on pages 124 and 150 respectively of this Draft Prospectus none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

#### **EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI**

Our company has not applied or received any exemption from complying with any provisions of securities laws by SEBI.

## **SECTION XI: ISSUE RELATED INFORMATION**

### **TERMS OF THE ISSUE**

*The Equity Shares being Issued are subject to the provisions of the Companies Act, SCRA, SCRR, SEBI (ICDR) Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of the Draft Prospectus, Prospectus, Application Form, any Confirmation of Allocation Note (“CAN”), the Revision Form, Allotment advices, and other terms and conditions as may be incorporated in the Allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government Of India, the Stock Exchange, the RoC, the RBI and/ or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, RBI, the Government Of India, the Stock Exchange, the RoC and/ or any other authorities while granting its approval for the Issue.*

*Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019 and circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and any subsequent circulars issued by SEBI in this regard, SEBI has introduced an alternate payment mechanism using Unified Payments Interface (UPI) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIIIs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase I was effective till June 30, 2019. With effect from July 1, 2019, with respect to Application by retail individual investors through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Applicants with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). Subsequently, the final reduced timeline will be made effective using the UPI Mechanism for applications by retail individual investors (“UPI Phase III”), as may be prescribed by SEBI.*

*Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized to collect the Application forms. Investor may visit the official website of the concerned for any information on operationalization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.*

### **AUTHORITY FOR THE PRESENT ISSUE**

This Public Issue has been authorized by a resolution of our Board of Directors passed at their meeting held on April 03, 2023 subject to the approval of shareholders through a special resolution to be passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the General Meeting. The shareholders have authorized the Issue by a Special Resolution in accordance with Section 62(1)(c) of the Companies Act, 2013 passed at the Extra Ordinary General Meeting of our Company held on May 02, 2023.

### **RANKING OF EQUITY SHARES**

The Equity Shares being issued shall be subject to the provisions of the Companies Act, and our MoA and AoA and shall rank pari-passu in all respects with the existing Equity Shares of our Company including rights in respect of dividends and other corporate benefits, if any, declared by us after the date of Allotment.

For further details, please refer to section titled, ‘*Main Provisions of Article of Association*’, beginning on page 245 of this Draft Prospectus.

## MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013, Article of Association, the provision of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 any other rules, regulations or guidelines as may be issued by Government of India in connection there to and as per the recommendation by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividend, in cash as per the provisions of the Companies Act and our Articles of Association. For further details in relation to dividends, please refer to sections titled, '*Dividend Policy*' and '*Main Provisions of Article of Association*', beginning on page 149 and 245 respectively, of this Draft Prospectus.

## FACE VALUE AND ISSUE PRICE

The Equity Shares having a Face Value of ₹10.00 each are being issued in terms of the Draft Prospectus/ Prospectus at the price of ₹ [●] per Equity Share (including premium of ₹ [●] per share).

The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under section titled "*Basis for Issue Price*" beginning on page 80 of this Draft Prospectus.

At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

## COMPLIANCE WITH ICDR REGULATIONS

Our Company shall comply with all requirements of the ICDR Regulations, as amended time to time.

## COMPLIANCE WITH DISCLOSURE AND ACCOUNTING NORMS

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

## RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity Shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive annual reports and notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act, 2013;
- Right to receive Issue for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- Right of free transferability of the Equity Shares, subject to applicable laws, including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013, as may be applicable, terms of the Listing Regulations and the MoA and AoA of our Company.

For further details on the main provision of our Company's AoA dealing with voting rights, dividend, forfeiture and lien, transfer and transmission and / or consolidation / splitting, etc., please refer to Section titled, '*Main Provisions of the Articles of Association*', beginning on page 245 of this Draft Prospectus.

## **MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT**

In terms of Section 29 of the Companies Act, 2013, the Equity Shares shall be Allotted only in dematerialised form. As per the existing ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form for all Applicants. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated March 22, 2023 between NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated March 15, 2023 between CDSL, our Company and Registrar to the Issue.

The ISIN no of the company is INE0P4P01011

## **MARKET LOT AND TRADING LOT**

Trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by BSE from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Share subject to a minimum allotment of [●] Equity Shares to the successful Applicants. Further, in accordance with SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakhs per application.

## **MINIMUM NUMBER OF ALLOTTEES**

In accordance with the Regulation 268 of ICDR Regulations, the minimum number of Allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective Allottees is less than 50, no Allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 4 Working Days of closure of Issue.

## **JOINT HOLDERS**

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint holders with benefits of survivorship.

## **NOMINATION FACILITY TO INVESTOR**

In accordance with Section 72 of the Companies Act, 2013, the First / Sole Applicant, along with other joint Applicant, may nominate any one person in whom, in the event of the death of Sole Applicant or in case of joint Applicant, death of all the Applicants, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013, any Person who becomes a nominee by virtue of this section shall upon the production of such evidence as may be required by the Board of Directors, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board of Directors may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board of Directors may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the applicant would prevail. If the Applicants require changing the nomination, they are requested to inform their respective Depository Participant.

## WITHDRAWAL OF THE ISSUE

Our Company in consultation with the LM, reserve the right to not to proceed with the issue after the Issue Opening date but before the Allotment. In such an event, our Company would issue a public notice in the newspaper in which the pre-issue advertisements were published, within two days of the Issue Closing date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the issue. The LM through, the Registrar of the issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one working day from the date of receipt of such notification. Our Company shall also inform the same to the stock exchange on which equity shares are proposed to be listed.

## ISSUE PROGRAM

<b>Issue Opens on</b>	<b> ● </b>
<b>Issue Closes on</b>	<b> ● </b>
<b>Finalization of Basis of Allotment with the Designated Stock Exchange</b>	<b> ● </b>
<b>Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account*</b>	<b> ● </b>
<b>Credit of Equity Shares to Demat accounts of Allottees</b>	<b> ● </b>
<b>Commencement of trading of the Equity Shares on the Stock Exchange</b>	<b> ● </b>

\*In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled / withdrawn / deleted ASBA Forms, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date on which the request for cancellation/withdrawal / deletion is placed in the Stock Exchange Applying platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Applicant shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Application Amount, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted / partially allotted Application, exceeding four Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The post Issue LM shall be liable for compensating the Applicant at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked. For the avoidance of doubt, the provisions of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable.

The above timetable is indicative and does not constitute any obligation on our Company or the Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Application Forms and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (IST) during the Issue Period (except for the Issue Closing Date). On the Issue Closing Date, the Application Forms will be accepted only between 10.00 a.m. to 3.00 p.m. (IST) for retail and non-retail Applicants. The time for

applying for Retail Individual Applicants on Issue Closing Date maybe extended in consultation with the LM, RTA and BSE SME taking into account the total number of applications received up to the closure of timings.

Due to the limitation of time available for uploading the Application Forms on the Issue Closing Date, Applicants are advised to submit their applications one (1) day prior to the Issue Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Issue Closing Date. Any time mentioned in this Draft Prospectus is IST. Applicants are cautioned that, in the event a large number of Application Forms are received on the Issue Closing Date, as is typically experienced in public Issue, some Application Forms may not get uploaded due to the lack of sufficient time. Such Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the LM is liable for any failure in uploading the Application Forms due to faults in any software/hardware system or otherwise.

In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their Application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail Individual Applicants can revise or withdraw their Application Forms prior to the Issue Closing Date. Allocation to Retail Individual Applicants, in this Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Application Form, for a particular Applicant, the details as per the file received from Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / stock brokers, as the case may be, for the rectified data.

#### **MINIMUM SUBSCRIPTION**

In accordance with Regulation 260(1) of SEBI (ICDR) Regulations, this Issue is 100% underwritten, so this issue is not restricted to any minimum subscription level.

As per section 39 of the new Companies Act, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of thirty (30) days from the date of issue of draft prospectus, the application money has to be returned within such period as may be prescribed.

If our Company does not receive the subscription of 100% of the Issue through this Issue Document including devolvement of Underwriters, our Company shall forthwith unblock the entire subscription amount received. If there is a delay beyond eight (8) days after our Company becomes liable to pay the amount, our Company shall pay interest prescribed under section 73 of the Companies Act, 2013 and applicable law.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be Issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

#### **ARRANGEMENTS FOR DISPOSAL OF ODD LOTS**

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, in terms of Regulation 261 (5) of the ICDR Regulations, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME platform of BSE Limited.

#### **APPLICATION BY ELIGIBLE NRIS, FPIS / FIIS REGISTERED WITH SEBI, VCFS REGISTERED WITH SEBI AND ELIGIBLE QFIS**

It is to be understood that there is no reservation for Eligible NRIs or FPIs / FIIs registered with SEBI or VCFs or Eligible QFIs. Such Eligible NRIs, Eligible QFIs, FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of allocation.

NRIs, FPIs / FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public issue without the prior approval of the RBI, so long as the price of the Equity

Shares to be issued is not less than the price at which the Equity Shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment (“FDI”) Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI / RBI.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and / or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India / RBI while granting such approvals.

#### **AS PER THE EXTANT POLICY OF THE GOVERNMENT OF INDIA, OCBs CANNOT PARTICIPATE IN THIS ISSUE.**

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No. 20/2000-RB dated May 03, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for Equity Share allocation.

#### **RESTRICTIONS ON TRANSFER AND TRANSMISSION OF SHARES OR DEBENTURES AND ON THEIR CONSOLIDATION OR SPLITTING**

Except for lock-in of the pre-issue Equity Shares and Promoters minimum contribution in the Issue as detailed in the Section titled, ‘*Capital Structure*’, beginning on page 60 of this Draft Prospectus, and except as provided in the AoA of our Company, there are no restrictions on transfer and transmission and on their consolidation / splitting of Equity Shares. For further details, please refer to the Section titled, ‘*Main Provisions of the Articles of Association*’, beginning on page 245 of this Draft Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the Applicants of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

#### **NEW FINANCIAL INSTRUMENTS**

As on the date of this Draft Prospectus, there are no outstanding warrants, new financial instruments or any rights, which would entitle the shareholders of our Company, including our Promoters, to acquire or receive any Equity Shares after the Issue.

#### **ALLOTMENT OF EQUITY SHARES IN DEMATERIALIZED FORM**

As per Section 29 of the Companies Act, 2013 and in accordance with SEBI (ICDR) Regulations, every company making public Issue shall issue securities only in dematerialized form only. Hence, the Equity Shares being issued can be applied for in the dematerialized form only. Further, it has been decided by the SEBI that trading in securities of companies making an initial public Issue shall be in dematerialized form only. The Equity Shares on Allotment will be traded only on the dematerialized segment of the SME Platform of BSE Limited.



**Furnishing the details of depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.**

#### **MIGRATION TO MAIN BOARD**

BSE Circular dated March 10, 2014, our Company will have to be mandatorily listed and traded on the SME Platform of BSE Limited for a minimum period of two years from the date of listing and only after that it can migrate to the Main Board of the BSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI (ICDR) Regulations, 2018.

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of BSE from the SME Platform of BSE Limited on a later date subject to the following:

- If the Paid-up Capital of the Company is likely to increase above ₹ 25.00 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoters shareholders against the proposal and for which the Company has obtained in-principal approval from the main board), we shall have to apply to BSE for listing our shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.
- If the Paid-up Capital of the Company is more than ₹ 10.00 crores but below ₹ 25.00 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than Promoters shareholders against the proposal.

#### **MARKET MAKING**

The Equity Shares offered through this Issue are proposed to be listed on the SME Platform of BSE Limited, wherein the Market Maker to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME platform of BSE for a minimum period of 3 years from the date of listing on the SME Platform of BSE Limited. For further details of the agreement entered into between our Company, the Lead Manager and the Market Maker please refer to Section titled, '*General Information - Details of the Market Making Arrangements for this Issue*', beginning on page 51 of this Draft Prospectus.

#### **JURISDICTION**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Mumbai, Maharashtra, India.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and may not be Issued or sold within the United States to, or for the account or benefit of "U.S. persons" (as defined in Regulation S), except pursuant to an exemption from or in a transaction not subject to, registration requirements of the U.S. Securities Act and applicable U.S. state Securities laws. Accordingly, the Equity Shares are only being Issued or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those Issues and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be Issued or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(1) of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, our Company's post issue face value capital is less than equal to ten crore rupees. Our Company shall issue equity shares to the public and propose to list the same on the SME platform of BSE Limited. For further details regarding the salient features and terms of such this issue, please refer to sections titled "*Terms of the Issue*" and "*Issue Procedure*" beginning on page 208 and 218 respectively of this Draft Prospectus.

Initial Public Issue of upto 20,00,000 Equity Shares of ₹ 10.00 each (the "Equity Shares") for cash at a price of ₹ [●] per Equity Share (including a Share Premium of ₹ [●] per Equity Share), aggregating up to ₹ [●] Lakh ("the Issue") by the issuer Company (the "Company").

The Issue comprises a reservation of upto 1,00,000 Equity Shares of face value of ₹ 10.00 each fully paid for cash at price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating to ₹ [●] Lakh for subscription by the designated Market Maker (Market Maker Reservation Portion) and a Net Issue to Public of upto 19,00,000 Equity Shares of face value of ₹ 10.00 each fully paid for cash at price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating to ₹ [●] Lakh (the Net Issue). The Issue and the Net Issue will constitute [●] % and [●] % respectively of the Post Issue Paid-up Equity Share Capital of the Company. The Issue is being made through the Book Building Process.

Particulars of the Issue	Net Issue to Public <sup>(1)</sup>	Market Maker Reservation Portion
<b>Number of Equity Shares</b>	Upto 19,00,000 Equity Shares	Upto 1,00,000 Equity Shares
<b>Percentage of Issue Size available for allocation</b>	95.00% of the Issue Size	5.00% of the Issue Size
<b>Basis of Allotment/Allocation if respective category is oversubscribed</b>	Proportionate subject to minimum allotment of Equity Shares and further allotment in multiples of [●] Equity Shares each. For further details please refer to " <i>Basis of Allotment</i> " under Section titled " <i>Issue Procedure</i> " beginning on page 218 of this draft prospectus.	Firm Allotment
<b>Mode of Application</b>	All the applicants shall make the application (Online or Physical) through the ASBA Process only (including UPI mechanism for Retail Investors using Syndicate ASBA).	
<b>Mode of Allotment</b>	Compulsorily in dematerialised form.	
<b>Minimum Application Size</b>	<i>For Other than Retail Individual Investors:</i> Such number of equity shares in multiples of [●] equity shares such that the application value exceeds ₹2.00 Lakh.  <i>For Retail Individuals:</i> [●] Equity Shares	[●] Equity Shares
<b>Maximum Application Size</b>	<i>For Other than Retail Individual Investors:</i> Such number of equity shares in multiples of [●] equity shares such that the application size does not exceeds [●] equity shares, subject to applicable limits to the Applicant.  <i>For Retail Individuals Investors:</i> Such number of equity shares in multiples of [●] equity shares such that the application value exceeds ₹2.00 Lakh.	[●] Equity Shares @ ₹ [●]- each

<b>Trading Lot</b>	[●] Equity Shares	[●] Equity Shares. However, the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.
<b>Who can Apply<sup>(2)</sup></b>	<p><i>For Other than Retail Individual Investors:</i></p> <p>Resident Indian individuals, Eligible NRIs, HUFs (in the name of the Karta), companies, corporate bodies, scientific institutions societies and trusts.</p> <p><i>For Retail Individuals Investors:</i></p> <p>Resident Indian individuals, HUFs (in the name of the Karta) and Eligible NRIs.</p>	Market Maker
<b>Terms of Payment<sup>(3)</sup></b>	The entire Application Amount will be payable at the time of submission of the Application Form	

<sup>(1)</sup>Since present issue is a fixed price issue, the allocation in the net issue to the public category in terms of Regulation 253 (2) of the SEBI (ICDR) Regulations, 2018 shall be made as follows:

- a) Minimum fifty per cent to retail individual investors; and
- b) Remaining to:
  - (i) individual applicants other than retail individual investors; and
  - (ii) other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

*Provided that the unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.*

<sup>(2)</sup>*In case of joint Applications, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders.*

<sup>(3)</sup>*In case of ASBA Applicants, the SCSB shall be authorised to block such funds in the bank account of the ASBA Applicant (including retail applicants applying through UPI mechanism) that are specified in the Application Form. SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.*

## **WITHDRAWAL OF THE ISSUE**

Our Company, in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date, without assigning any reason thereof.

In case, our Company wishes to withdraw the Issue after Issue Opening but before allotment, our Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two (2) widely circulated national newspapers (one each in English and Hindi) and one (1) in regional newspaper where the registered office of the Company is situated.

The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one (1) Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared, and the Stock Exchange will also be informed promptly. If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public Issuing of Equity Shares, our Company will file a fresh Issue document with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares Issued through this draft prospectus, which our Company will apply for only after Allotment.

## ISSUE PROGRAMME

<b>Issue Opening Date</b>	[●]
<b>Issue Closing Date</b>	[●]
<b>Finalisation of Basis of Allotment with BSE SME</b>	[●]
<b>Initiation of Allotment / Refunds/ unblocking of ASBA Accounts</b>	[●]
<b>Credit of Equity Shares to demat accounts of the Allottees</b>	[●]
<b>Commencement of trading of the Equity Shares on BSE SME</b>	[●]

*Note: The above timetable is indicative in nature and does not constitute any obligation on the Company or the Lead Manager. While our Company shall ensure that all the steps for completion of all the necessary formalities for the listing and trading of our equity shares on the SME Platform of BSE Limited are taken within 6 working days of the issue closing date, the time table may change due to various factors such as extension of the issue period by the Company or any delay in receiving final listing and trading approval from the BSE. The Commencement of the trading of Equity shares will be entirely at the discretion of the BSE SME in accordance with the applicable laws.*

Applications and any revisions to the same will be accepted only between 10.00 A.M. to 5.00 P.M. (IST) during the Issue Period at the Application Centers mentioned in the Application Form.

Standardization of cut-off time for uploading of applications on the Issue Closing Date:

- a) A standard cut-off time of 3.00 P.M. for acceptance of applications.
- b) A standard cut-off time of 4.00 P.M. for uploading of applications received from other than retail individual applicants.
- c) A standard cut-off time of 5.00 P.M. for uploading of applications received from only retail individual applicants, which may be extended up to such time as deemed fit by BSE after taking into account the total number of applications received up to the closure of timings and reported by LM to BSE within half an hour of such closure.

It is clarified that Applications not uploaded would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Application Form, for a particular Applicant, the details as per physical Application form of that Applicant may be taken as the final data for the purpose of allotment.

Due to limitation of time available for uploading the application on the Issue Closing Date, Applicants are advised to submit their applications one day prior to the Issue Closing Date and, in any case, not later than 3:00 p.m. IST on the Issue Closing Date. Any time mentioned in the prospectus is IST. Applicants are cautioned that, in the event a large number of applications are received on the Issue Closing Date, as is typically experienced in public Issues, some applications may not get uploaded due to lack of sufficient time. Such applications that cannot be uploaded will not be considered for allocation under this Issue.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding bank holidays).

## **ISSUE PROCEDURE**

All Applicants should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the "General Information Document"), which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchange and the LM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue, especially in relation to the process for Applications by Retail Individual Applicant through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) Category of investor eligible to participate in the Issue; (ii) maximum and minimum Issue size; (iii) price discovery and allocation; (iv) Payment Instructions for ASBA Applicants; (v) Issuance of CAN and Allotment in the Issue; (vi) General instructions (limited to instructions for completing the Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint applications in cases of individual, multiple applications and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.

SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, has introduced an alternate payment mechanism using Unified Payments Interface ("UPI") and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days ("UPI Phase I"). The UPI Phase I was effective till June 30, 2019.

SEBI through its circular SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 as amended from time to time, including pursuant to circular SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 has proposed to introduce an alternate payment mechanism using Unified Payments Interface ("UPI") and consequent reduction in timelines for listing in a phased manner. UPI has been introduced in a phased manner as a payment mechanism with the ASBA for applications by Retail Individual Investors through intermediaries from January 1, 2019. The UPI Mechanism for Retail Individual Investors applying through Designated Intermediaries, in phase I, was effective along with the prior process and existing timeline of T+6 days ("UPI Phase I"), until June 30, 2019. Subsequently, for applications by Retail Individual Investors through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism with existing timeline of T+6 days is applicable for a period of three months or launch of five main board public issues, whichever is later ("UPI Phase II"), with effect from July 1, 2019, by SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. Further, as per the SEBI circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, the UPI Phase II had been extended until March 31, 2020. However, due to the outbreak of COVID-19 pandemic, UPI Phase II has been further extended by SEBI until further notice, by its circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020. Thereafter, the final reduced timeline of T+3 days may be made effective using the UPI Mechanism for applications by Retail Individual Investors ("UPI Phase III"), as may be prescribed by SEBI. Accordingly, the Issue has been considered to be made under UPI Phase II, till any further notice issued by SEBI. Further, SEBI, vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, and circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. These circulars, to the extent already in force, are deemed to form part of this Draft Prospectus

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Issue Closing Date, the Applicants shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The LM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Further, SEBI vide its circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, has reduced the timelines for refund of Application money to four days.

Our Company and Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and is not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that their applications are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus.

Further, the Company and the Lead Manager are not liable for any adverse occurrences' consequent to the implementation of the UPI Mechanism for application in this Issue.

**Investors must ensure that their PAN is linked with Aadhar and are in compliance with the notification by the Central Board of Direct Taxes dated February 13, 2020 read with press release dated June 25, 2021 and September 17, 2021.**

Applicants should note that the Equity Shares will be Allotted to all successful Applicants only in dematerialized form. The Application Forms which do not have the details of the Applicants' depository account, including DP ID, Client ID, PAN and UPI ID, for UPI Applicants using the UPI Mechanism, shall be treated as incomplete and will be rejected. However, they may get the Equity Share rematerialized subject to allotment of the equity shares in the Issue, subject to applicable laws.

#### **PHASED IMPLEMENTATION OF UNIFIED PAYMENTS INTERFACE**

SEBI has issued UPI Circulars in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIIs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six working days to up to three working days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circular proposes to introduce and implement the UPI payment mechanism in three phases in the following manner:

**Phase I:** This phase has become applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a Retail Individual Applicant had the option to submit the Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

**Phase II:** This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. Subsequently, it was decided to extend the timeline for implementation of Phase II until March 31, 2020. Further, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount is continued till further notice. Under this phase, submission of the ASBA Form by RIIs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase.

**Phase III:** The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing is proposed to be reduced to three Working Days.

Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circulars include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful applicants to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the

post – issue LM will be required to compensate the concerned investor. The Issue will be made under UPI Phase II of the UPI Circular, unless UPI Phase III of the UPI Circular becomes effective and applicable on or prior to the Issue Opening Date. All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI.

Our Company will be required to appoint one or more of the SCSBs as a Sponsor Bank(s) to act as a conduit between the Stock Exchange and NPCI in order to facilitate collection of requests and / or payment instructions of the UPI Investors.

The processing fees may be released to the remitter banks (SCSBs) only after an application is made by the SCSBs to the LM with a copy to the Registrar, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB in accordance with April 20, 2022 Circular.

For further details, refer to the General Information Document available on the websites of the Stock Exchange and the LM.

### **FIXED PRICE ISSUE PROCEDURE**

The Issue is being made under Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 through a Fixed Price Process. Wherein a minimum 50% of the Net Issue is allocated for Retail Individual Applicants and the balance shall be offered to individual applicants other than Retail Individual Applicants and other investors including Corporate Bodies or Institutions, QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price.

Additionally, if the Retail Individual Applicants category is entitled to more than fifty per cent on proportionate basis, the Retail Individual Applicants shall be allocated that higher percentage. However, the Application by an Applicant should not exceed the investment limits prescribed under the relevant regulations/statutory guidelines.

Subject to the valid Applications being received at the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the LM and the Stock Exchange are required to submit their Applications to the Application Collecting Intermediaries i.e. SCSB or Registered Brokers of Stock Exchange or Registrar to the Issue and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI. In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non-Institutional Applicants and Retail Individual Applicants, the Company would have a right to reject the Applications only on technical grounds. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchange, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected.

**Investors should note that Equity Shares will be allotted to successful Applicants in dematerialized form only. The Equity Shares on Allotment shall be traded only in the dematerialize segment of the Stock Exchange, as mandated by SEBI. The Application Forms which do not have the details of the Applicant's depository account including DP ID, PAN and Beneficiary Account Number/UPI ID (for RII Applicants using the UPI Mechanism), shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchange, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. However, the Investors may get the Equity Shares rematerialized subsequent to the allotment.**

## AVAILABILITY OF DRAFT PROSPECTUS, PROSPECTUS AND APPLICATION FORM

Copies of Application Forms and Abridged Prospectus will be available with the Syndicate/sub-Syndicate members, SCSBs and at our Registered Office. In addition, an electronic copy of the Application Forms and Abridged Prospectus will also be available for download on the website of the Company, Lead Manager and Stock Exchange, BSE (www.bseindia.com), at least one day prior to the Issue Opening Date.

All Applicants (other than Applicants using the UPI mechanism) shall mandatorily participate in the Issue only through the ASBA process. ASBA Applicants (other than Applicants using the UPI mechanism) must provide bank account details and authorisation to block funds in the relevant space provided in the Application Form and the Application Forms that do not contain such details are liable to be rejected. Further Retail Individual Investors may participate in the Issue through UPI by providing details in the relevant space provided in the Application Form and the Application Forms that do not contain the UPI ID are liable to be rejected. Retail Individual Investors may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of the SEBI.

Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of a member of the Syndicate or the Registered Broker or the SCSBs or Registrars to an Issue and Share Transfer Agents or Depository Participants, as the case may be, submitted at the Collection centres only (except in case of electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Application Form for various categories applying in this issue is as follows:

Category	Colour
Resident Indians/ Eligible NRIs applying on a non-repatriation basis (ASBA)**	White*
Non-Residents and Eligible NRIs applying on a repatriation basis (ASBA)**	Blue*

\* Excluding electronic Application Form.

\*\*Application forms will also be available on the website of the BSE (www.bseindia.com). Same Application Form applies to all ASBA Applicants/ Retail Individual Applicants applying through UPI mechanism, irrespective of whether they are submitted to the SCSBs, to the Registered Brokers, to Registrars to an Issue and Share Transfer Agents, Depository Participants or to the Syndicate (in Specified Cities).

Designated Intermediaries (other than SCSBs) after accepting application form submitted by UPI applicants (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Application Forms to respective SCSBs where the Applicants has a bank account and shall not submit it to any non-SCSB Bank.

For UPI applicants using UPI mechanism, the Stock Exchanges shall share the bid details (including UPI ID) with Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to UPI applicants for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to UPI applicants, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI applicants (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank, NPCI or the Banker to the Issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the Bankers to an Issue. The Lead Manager shall also be required to obtain the audit trail from the Sponsor Banks and the Banker to the Issue for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the website of the Stock Exchange shall bear a system generated unique application number. Applicants are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.



Pursuant to SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 Dated November 10, 2015, an Investor, intending to subscribe to this Issue, shall submit a completed application form to any of the following intermediaries (Collectively called – Designated Intermediaries”):

1. An SCSB, with whom the bank account to be blocked, is maintained
2. A syndicate member (or sub-syndicate member)
3. A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (“broker”)
4. A Depository Participant (“DP”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5. A Registrar to an Issue and share transfer agent (“RTA”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

<b>For Applications submitted by investors to SCSB:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may by blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For Applications submitted by investors to intermediaries other than SCSBs without use of UPI for payment:</b>	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
<b>For Applications submitted by investors to intermediaries other than SCSBs without use of UPI for payment:</b>	After accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.

Stock exchange shall validate the electronic bid details with depository’s records for DP ID/Client ID and PAN, on a real time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Applicants are deemed to have authorized our Company to make the necessary changes in the Prospectus, without prior or subsequent notice of such changes to the Applicants. Applicants shall submit an Application Form either in physical or electronic form to the SCSB’s authorising blocking of funds that are available in the bank account specified in the Application Form used by ASBA Applicants. Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms/ Application Forms to the respective SCSB, where the Applicant has a bank account and shall not submit it to any non SCSB bank or any Escrow Collection Bank.

#### **WHO CAN APPLY?**

In addition to the category of Applicants set forth under General Information Document, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- a) Indian nationals’ resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic

Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);

- b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows:- Name of Sole or First Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Kartal. Applications by HUFs would be considered at par with those from individuals;
- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d) Mutual Funds registered with SEBI;
- e) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- f) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- g) FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;
- h) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- i) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional Applicant's category;
- j) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- k) Foreign Venture Capital Investors registered with the SEBI;
- l) Trusts / societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- m) Scientific and / or Industrial Research Organizations authorized to invest in equity shares;
- n) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- o) Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- p) Pension Funds and Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- r) Multilateral and bilateral development financial institution;
- s) Eligible QFIs;
- t) Insurance funds set up and managed by army, navy or air force of the Union of India;
- u) Insurance funds set up and managed by the Department of Posts, India;
- v) Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

**Applications not to be made by:**

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.

The Equity Shares have not been and will not be registered under the U.S. Securities Act, 1933 (the "U.S. Securities Act") or the securities laws of any state of the United States and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers, and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

*The information below is given for the benefit of the applicants. Our Company, and the Lead Manager do not accept responsibility for the completeness and accuracy of the information stated. Our Company, and the Lead Manager is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the draft prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for does not exceed the limits prescribed under laws or regulations.*

## MAXIMUM AND MINIMUM APPLICATION SIZE

### 1. For Retail Individual Applicants

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed ₹ 2.00 Lakh. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed ₹ 2.00 Lakh.

### 2. For Other than Retail Individual Applicants (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹2.00 Lakh and in multiples of [●] Equity Shares thereafter. An application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹ 2.00 Lakh for being considered for allocation in the Non-Institutional Portion.

**Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Prospectus.**

**The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.**

## BASIS OF ALLOTMENT

Allotment will be made in consultation with the Stock Exchange. In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e., the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category X number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e., Total number of Shares applied for into the inverse of the over subscription ratio). For applications where the proportionate allotment works out to less than [●] Equity shares the allotment will be made as follows:
  - (a) Each successful applicant shall be allotted [●] Equity shares; and

- (b) The successful applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
3. If the proportionate allotment to an applicant works out to a number that is not a multiple of [●] Equity shares, the applicant would be allotted Shares by rounding off to the nearest multiple of [●] Equity shares subject to a minimum allotment of [●] Equity shares.
  4. If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity shares, results in the actual allotment being higher than the shares issued, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the issue specified under the Capital Structure mentioned in this Draft Prospectus.
  5. The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below:
    - (a) As the retail individual investor category is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
    - (b) The balance net issue of shares to the public shall be made available for allotment to:
      - (i) Individual applicants other than retails individual investors; and
      - (ii) Other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
    - (c) The unsubscribed portion of the net issue to any one of the categories specified in a) or b) shall/may be made available for allocation to applicants in the other category, if so required.
  6. Retail Individual Investors' means an investor who applies for shares of value of not more than ₹2.00 Lakh. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with Stock Exchange. The Executive Director / Managing Director of Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI ICDR Regulations.

#### **PARTICIPATION BY ASSOCIATES / AFFILIATES OF LEAD MANAGER, PROMOTER, PROMOTER GROUP AND PERSON RELATED TO PROMOTER/ PROMOTER GROUP**

The Lead Manager shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the Lead Manager may subscribe to Equity Shares in the Issue, either in the QIB Portion and Non-Institutional Portion where the allotment is on a proportionate basis. The Promoter, Promoter Group, Lead Manager and any persons related to the Lead Manager (except Mutual Funds sponsored by entities related to the Lead Manager) cannot apply in the Issue.

#### **APPLICATIONS BY MUTUAL FUNDS**

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company in consultation with Lead Manager, reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof. The Applications made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any Company provided that the limit of 10% shall not be applicable for investments in index funds

or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any Company's paid-up share capital carrying voting rights.

#### **APPLICATIONS BY HUFs**

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Applications by HUFs may be considered at par with Applications from individuals.

#### **APPLICATION BY ELIGIBLE NRIs**

Eligible NRIs may obtain copies of Application Form from the Designated Intermediaries. Only Applications accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Applicant applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB or should confirm/accept the UPI Mandate Request (in case of UPI applicants using the UPI Mechanism) to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts, and eligible NRI Applicant applying on a non-repatriation basis by using Resident Forms should authorize their SCSB or should confirm/accept the UPI Mandate Request (in case of UPI applicants applying using the UPI Mechanism) to block their Non-Resident Ordinary ("NRO") accounts for the full Application Amount, at the time of the submission of the Application Form. However, NRIs applying in the Issue through the UPI Mechanism are advised to enquire with the relevant bank where their account is UPI linked prior to submitting their application.

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for non-residents (blue in colour).

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents. (White in colour).

Participation by Eligible NRIs in the Issue shall be subject to the FEMA Non -Debt Instruments Rules. Only Applications accompanied by payment in Indian rupees or fully converted foreign exchange will be considered for Allotment.

In accordance with the FEMA Non-Debt Instruments Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

For further details, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 242 of this Draft Prospectus.

#### **APPLICATIONS BY FPIs INCLUDING FIIs**

In terms of the SEBI FPI Regulations, the investment in Equity Shares by a single FPI or an investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) must be below 10% of our post- Issue Equity Share capital. Further, in terms of the FEMA Non-Debt Instruments Rules, the total holding by each FPI or an investor group shall be below 10% of the total paid -up Equity Share capital of our Company and the total holdings of all FPIs put together with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%). In terms of the FEMA Non -Debt Instruments Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

Additionally, the aggregate foreign portfolio investment up to 49% of the paid -up capital on a fully diluted basis or the sectoral / statutory cap, whichever is lower, does not require Government approval or compliance of sectoral conditions as the case may be, if such investment does not result in transfer of ownership and control of the resident Indian company from resident Indian citizens or transfer of ownership or control to persons resident

outside India. Other investments by a person resident outside India will be subject to conditions of Government approval and compliance with sectoral conditions as laid down in these regulations.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Issue to ensure there is no breach of the investment limit, within the timelines for Issue procedure, as prescribed by SEBI from time to time.

A FPI may purchase or sell equity shares of an Indian company which is listed or to be listed on a recognized stock exchange in India, and/ or may purchase or sell securities other than equity instruments FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

An FPI issuing offshore derivative Instruments is also required to ensure that any transfer of offshore derivative instrument is made by, or on behalf of it subject to, inter alia, the following conditions:

- (a) each offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and
- (b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

The FPIs who wish to participate in the Issue is advised to use the Application Form for non-residents.

Further, Bids received from FPIs bearing the same PAN will be treated as multiple Applications and are liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants which were issued in November 2019 to facilitate implementation of SEBI FPI Regulations (such structure "MIM Structure") provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, were required to provide a confirmation along with each of their Application Forms that the relevant FPIs making multiple Applications utilize the MIM Structure and indicate the names of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Applications will be rejected.

#### **APPLICATIONS BY SEBI REGISTERED VCF'S, AIF'S AND FVCI'S**

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIF's.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the LM will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

#### **APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS**

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof.

#### **APPLICATIONS BY INSURANCE COMPANIES**

In case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application by Insurance Companies without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

1. equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
2. the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
3. the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (1), (2) and (3) above, as the case may be. Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Insurer companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars Issued by the IRDA from time to time including the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 ("IRDA Investment Regulations").

#### **APPLICATIONS BY PROVIDENT FUNDS / PENSION FUNDS**

In case of Applications made by provident funds with minimum corpus of ₹ 25.00 Crore (subject to applicable law) and pension funds with minimum corpus of ₹ 25.00 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund / pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

#### **APPLICATIONS BY BANKING COMPANY**

In case of Applications made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form, failing which our Company reserves the right to reject any Application by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a nonfinancial services company in excess of 10% of such investee company's paid-up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the investee company's paid-up share capital and reserves.

#### **APPLICATIONS BY SYSTEMATICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES**

In case of Applications made by Systemically Important Non-Banking Financial Companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Application Form. Failing this, our Company reserve the right to reject any Application, without assigning any reason thereof. Systemically Important Non-Banking Financial Companies participating in the Issue shall comply with all applicable legislations, regulations, directions, guidelines and circulars issued by RBI from time to time.

#### **APPLICATIONS BY SCSB'S**

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making Applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making Application in public issues and clear demarcated funds should be available in such account for such Applications.

The information set out above is given for the benefit of the Applicants. Our Company and the LM are not liable for any amendments or modification or changes to applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that any single application from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulations, or as specified in this Draft Prospectus.

#### **APPLICATIONS UNDER POWER OF ATTORNEY**

In case of Applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹2500 Lakh, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the



memorandum of association and articles of association and / or bye laws must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

- a) With respect to Applications by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form.
- b) With respect to Applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Application Form.
- c) With respect to Applications made by provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund / pension fund must be lodged along with the Application Form.
- d) With respect to Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form.
- e) Our Company in consultation with the LM in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application form, subject to such terms and conditions that our Company and the LM may deem fit.

The above information is given for the benefit of the Applicants. Our Company, the LM and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Draft Prospectus. Applicants are advised to make their independent investigations and Applicants are advised to ensure that any single Application from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Draft Prospectus.

#### **APPLICATIONS BY OCB**

In accordance with RBI regulations, OCBs cannot participate in this Issue.

#### **ISSUE PROCEDURE FOR APPLICATION SUPPORTED BY BLOCKED ACCOUNT (ASBA)**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link.

#### **METHOD AND PROCESS OF APPLICATIONS**

1. The Designated Intermediaries shall accept applications from the Applicants during the Issue Period.
2. The Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding 10 Working Days.
3. During the Issue Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.
4. The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to the Designated Intermediaries. Submission of a second Application form to either the same

or to another Designated Intermediaries will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system or at any point prior to the allocation or Allotment of Equity Shares in this Issue.

5. Designated Intermediaries accepting the application forms shall be responsible for uploading the application along with other relevant details in application forms on the electronic bidding system of stock exchange and submitting the form to SCSBs for blocking of funds (except in case of SCSBs, where blocking of funds will be done by respective SCSBs only). All applications shall be stamped and thereby acknowledged by the Designated Intermediaries at the time of receipt.
6. The Designated Intermediaries will enter each application option into the electronic collecting system as a separate application and generate a TRS and give the same to the applicant.
7. Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Intermediaries shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.
8. If sufficient funds are not available in the ASBA Account, the Designated Intermediaries shall reject such applications and shall not upload such applications with the Stock Exchange.
9. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the Applicant on request.
10. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal/ failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

### **Terms of payment**

The entire Issue price of ₹ [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants. SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Applicants should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

### **Payment Mechanism**

The Applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount (issue price) in the bank account specified in the Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non-Retail Investors shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Applicant, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

## **PROCEDURE FOR UNIFIED PAYMENT INTERFACE (UPI)**

In accordance to the SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, to stream line the process of public issue of Equity Shares and convertibles, Phase II shall become effective from July 01, 2019, thereafter for applications by Retail Individual Investors through intermediaries, where the existing process of investor submitting application form with any intermediaries along with bank account details and movement of such application forms from intermediaries to self-certified Syndicate Banks (SCSBs) for blocking of funds, will be discontinued. For such applications only the UPI mechanism would be permissible mode.

### **Who can apply through UPI Mode?**

Only Retail Individual Investors are allowed to use UPI for the payment in public issues. Qualified Institutional Buyers and High-Net worth Investors shall continue to apply as per the existing process.

### **Process**

Applications through UPI in IPOs (Public Issue) can be made only through the SCSBs/mobile applications whose name appears on the SEBI website: [www.sebi.gov.in](http://www.sebi.gov.in).

### **Blocking of Funds:**

1. Investors shall create UPI ID
2. Investors shall submit their IPO applications through intermediaries and the investors shall enter UPI ID in the application form.
3. Thereafter, intermediary shall upload the bid details and UPI ID in the electronic bidding system of the Stock Exchange.
4. Stock Exchange shall validate the bid details on the real time basis with depository's records and shall bring the inconsistencies to the notice of intermediaries for rectification and re-submission.
5. Stock Exchange shall share the details including UPI ID with Sponsor Bank, to enable the Sponsor Bank to initiate the request for the blocking of funds.
6. Thereafter the investor shall receive notification and shall confirm the request by entering valid UPI PIN and upon such acceptance of request, funds would get blocked and intimation shall be given to the investor regarding blocking of funds.

### **Unblocking of funds:**

1. After the issue close day, the RTA on the basis of bidding and blocking received from stock exchange undertake a reconciliation and shall prepare Basis of Allotment.
2. Upon approval of such basis, instructions would be sent to the Sponsor Bank to initiate process for credit of funds in the public issue escrow account and unblocking of excess funds.
3. Based on authorization given by the investor using UPI PIN at the time of blocking of funds, equivalent to the allotment, would be debited from investors account and excess funds, if any, would be unblocked.

**Further, RIIs would continue to have an option to modify or withdraw the bid till the closure of the issue period. For each such modification of application, RIIs shall submit a revised application and shall receive a mandate request from the Sponsor Bank to be validated as per the process indicated above. Hence, applications made through UPI ID for payment the same shall be revised by using UPI ID only.**

## **REJECTION GROUNDS UNDER UPI PAYMENT MECHANISM**

An investor making application using any of channels under UPI Payments Mechanism, shall use only his/her own bank account or only his/ her own bank account linked UPI ID to make an application in public issues. Applications made using third party bank account or using third party linked bank account UPI ID are liable for

rejection. Sponsor Bank shall provide the investors UPI linked bank account details to RTA for purpose of reconciliation. RTA shall undertake technical rejection of all applications to reject applications made using third party bank account.

### **LIST OF BANKS PROVIDING UPI FACILITY**

An investor shall ensure that when applying in the IPO using UPI facility, the name of his Bank shall appear in the list of SCSBs as displayed on the SEBI website.

A list of SCSBs and mobile application which are live for applying in public issues using UPI mechanism is provided on the SEBI Website at the following path:

*Home >> Intermediaries/Market Infrastructure Institutions >> Recognised Intermediaries >> Self Certified Syndicate Banks eligible as Issuer Banks for UPI.*

Investors whose Bank is not live on UPI as on the date of the aforesaid circular, may use the other alternate channels available to them viz. submission of application form with SCSBs or using the facility of linked online trading, demat and bank account (Channel I or II at para 5.1 SEBI circular bearing no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018).

### **Electronic Registration of Applications**

1. The Designated Intermediary will register the Applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
3. The Designated Intermediary shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
  - (i) the Applications accepted by the Designated Intermediary,
  - (ii) the Applications uploaded by the Designated Intermediary,
  - (iii) the Applications accepted but not uploaded by the Designated Intermediary and
  - (iv) with respect to applications by Applicants, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Application form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts
4. Neither the Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
  - (i) The applications accepted by any Designated Intermediaries
  - (ii) The applications uploaded by any Designated Intermediaries or
  - (iii) The applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Lead Manager on a regular basis.
6. With respect to applications by Applicants, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Application Forms to Designated Branches of the SCSBs for blocking of funds:

<b>Sr. No.</b>	<b>Details*</b>
1.	Symbol
2.	Intermediary Code

3.	Location Code
4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

*\*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Applicants, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Applicants into in the on-line system:
  - Name of the Applicant;
  - IPO Name;
  - Application Form Number;
  - Investor Category PAN (of First Applicant, if more than one Applicant);
  - DP ID of the demat account of the Applicant;
  - Client Identification Number of the demat account of the Applicant;
  - Number of Equity Shares Applied for;
  - Bank Account details;
  - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - Bank account number.
8. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Application Form number which shall be system generated.
9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non-Retail Applicants and Retail Individual Applicants, applications would not be rejected except on the technical grounds as mentioned in the Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
14. The SCSBs shall be given one day after the Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.

15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

### **Withdrawal of Applications**

- a) RIIs can withdraw their applications until Issue Closing Date. In case a RII wishes to withdraw the applications during the Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB or Sponsor Bank in the ASBA Account.
- b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

### **ISSUANCE OF CONFIRMATION ON ALLOCATION NOTE AND ALLOTMENT IN THE ISSUE**

Upon approval of the basis of allotment by the Designated Stock Exchange, the Lead Manager or Registrar to the Issue shall send to the SCSBs a list of their Applicants who have been allocated Equity Shares in the Issue.

On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Issue. The Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Applicant.

Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful applicants Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

### **ALLOCATION OF EQUITY SHARES**

1. The Issue is being made through the Fixed Price Process wherein [●] Equity Shares shall be reserved for Market Maker and [●] Equity shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid applications being received from Retail Individual Applicants at the Issue Price. The balance of the Net Issue will be available for allocation on proportionate basis to Non-Retail Applicants.
2. Under- subscription if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.
3. Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
4. In terms of SEBI Regulations, Non-Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage.

### **SIGNING OF UNDERWRITING AGREEMENT**

The issue is 100% Underwritten. For further details please refer to the section titled “*General Information*” on page 51 of this Draft Prospectus.

### **FILING OF THE PROSPECTUS**

For filing details, please refer to the section titled “*General Information*” beginning on page 51 of this Draft Prospectus.

## **PRE-ISSUE ADVERTISEMENT**

Subject to Section 30 of the Companies Act, our Company shall, after filing the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed under the SEBI ICDR Regulations, in all editions of an English national daily newspaper, all editions of a Hindi national daily newspaper and regional editions of a daily newspaper where our Registered Office is located, each with wide circulation. In the pre-Issue advertisement, we shall state the Issue Opening Date and the Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

## **ALLOTMENT ADVERTISEMENT**

Our Company, the Lead Manager and the Registrar to the Issue shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in all editions of an English national daily newspaper, all editions of a Hindi national daily newspaper and regional editions of a daily newspaper where our Registered Office is located, each with wide circulation.

## **DESIGNATED DATE**

On the Designated date, the SCSBs shall transfer the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any

## **GENERAL INSTRUCTIONS**

### **Do's:**

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about the Depository Participant and the beneficiary account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Applicant shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application.
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the Demographic Details are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.
- Ensure that you have funds equal to the Application Amount in the ASBA account or UPI ID linked Bank Account maintained with the SCSB before submitting the Application Form under the ASBA process the SCSBs where the Applicant has a bank account or a UPI ID linked Bank Account, the Registered Broker (at the Broker Centre's), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
- Instruct your respective Banks to release the funds blocked in the ASBA Account/UPI ID linked Bank Account under the ASBA process;
- Ensure that the Application Form is signed by the account holder in case the applicant is not the account holder.
- Ensure that you have mentioned the correct bank account number in the Application Form and in case of Retail Individual Applicants applying through UPI Channel, ensure that you have mentioned the correct UPI ID;
- Ensure that the Application Forms are delivered by the applicants within the time prescribed as per the Application Form and the Prospectus;
- Ensure that you have requested for and receive a TRS;
- Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your application options;
- Ensure that you have correctly signed the authorization/ undertaking box in the Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account/ UPI ID linked Bank Account, as the case may be, equivalent to the Application Amount mentioned in the Application Form;

- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

#### **Don'ts:**

- Do not apply for lower than the minimum Application size;
- Do not apply for a price different from the price mentioned herein or in the Application Form;
- Do not use third party bank account or third-party UPI ID linked Bank Account for making the Application;
- Do not apply on another Application Form after you have submitted an application to the Designated Intermediary;
- Do not pay the Application Price in cash, cheque, by money order or by postal order or by stock invest;
- Do not send Application Forms by post, instead submit the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company;
- Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not submit the application without ensuring that funds equivalent to the entire application Amount are blocked in the relevant ASBA Account;
- Do not apply for an Application Amount exceeding ₹2.00 Lakh (for applications by Retail Individual Applicants);
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue Size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
- Do not submit applications on plain paper or incomplete or illegible Application Forms in a colour prescribed for another category of Applicant; and
- Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.

#### **GROUND FOR TECHNICAL REJECTIONS**

Application Form can be rejected on the below mentioned technical grounds either at the time of their submission to any of the Designated Intermediaries, or at the time of finalization of the Basis of Allotment. Applicants are advised to note that the Applications are liable to be rejected, inter-alia, on the following grounds, which have been detailed at various places in this GID: -

- (a) Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);
- (b) Applications of Bidders (other than Anchor Investors) accompanied by cash, draft, cheques, money order or any other mode of payment other than amounts blocked in the Bidders' ASBA Account;
- (c) Applications by OCBs;
- (d) In case of partnership firms, Application for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;
- (e) In case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents have not been submitted along with the Application Form;
- (f) Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- (g) Applications by any person outside India if not in compliance with applicable foreign and Indian laws;
- (h) DP ID and Client ID not mentioned in the Application Form;
- (i) ASBA Account number or UPI ID not mentioned or incorrectly mentioned in the Application Form;
- (j) PAN not mentioned in the Application Form except for Applications by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;
- (k) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
- (l) Applications for lower number of Equity Shares than the minimum specified for that category of investors;
- (m) Applications at a price less than the Floor Price & Bids/Applications at a price more than the Cap Price;
- (n) Applications at Cut-off Price by NIIs and QIBs;



- (o) The amounts mentioned in the Application Form does not tally with the amount payable for the value of the Equity Shares Applied for;
- (p) Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- (q) Submission of Application Form using third party UPI ID or ASBA Bank Account;
- (r) Submission of more than one Bid cum Application Form per UPI ID and bank account by RIIs bidding through Designated Intermediaries (except for RIIs applying as Retail Individual Shareholder also);
- (s) Applications for number of Equity Shares which are not in multiples of Equity Shares as specified in the Prospectus;
- (t) Multiple Applications as defined in this GID and the Prospectus;
- (u) Application Forms are not delivered by the Applicants within the time prescribed as per the Application Form, Issue Opening Date advertisement and as per the instructions in the Prospectus and the Application Forms;
- (v) Bank account mentioned in the Application Form (for Bidders applying through the non-UPI mechanism) may not be an account maintained by SCSB. Inadequate funds in the ASBA Account to block the Application Amount specified in the Application Form at the time of blocking such Application Amount in the ASBA Account;
- (w) In case of Bids by RIIs (applying through the UPI mechanism), the UPI ID mentioned in the Bid cum Application Form is linked to a third-party bank account;
- (x) In case of Bids by RIIs (applying through the UPI mechanism), the UPI ID is not mentioned in the Bid cum Application Form;
- (y) In case of Anchor Investors, Bids/Applications where sufficient funds are not available in Escrow Accounts as per final certificate from the Anchor Escrow Bank;
- (z) Where no confirmation is received from SCSB or the Sponsor Bank, as applicable, for blocking of funds;
- (aa) Applications by QIB and NII Bidders (other than Anchor Investors) not submitted through ASBA process;
- (bb) Application Form submitted to Designated Intermediaries at locations other than the Bidding Centers or to the Anchor Escrow Bank (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the issuer or the Registrar to the Issue;
- (cc) Applications not uploaded on the terminals of the Stock Exchange(s);
- (dd) Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form;
- (ee) The UPI Mandate is not approved by Retail Individual Investor; and
- (ff) The original Application is made using the UPI mechanism and revision(s) to the Bid/Application is made using ASBA either physically or online through the SCSB, and vice-versa.
- (gg) Bidders are required to enter either the ASBA Bank account details or the UPI ID in the Bid cum Application Form. In case the Bidder doesn't provide any of the ASBA Bank account details or the UPI ID then the application would be rejected. For application submitted to Designated Intermediaries (other than SCSBs), Bidder providing both the ASBA Bank account details as well as the UPI ID, the UPI ID will be considered for processing of the application.
- (hh) RIIs shall ensure that the bank, with which it has its bank account, where the funds equivalent to the application amount is available for blocking has been notified as Issuer Banks for UPI. A list of such banks is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>
- (ii) The latest/revised UPI Mandate is not approved by Bidder in case of revision of bid;

## **INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM**

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Application Forms should bear the stamp of the Designated Intermediaries. ASBA Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Application forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e., [www.bseindia.com](http://www.bseindia.com) and NSE i.e., [www.nseindia.com](http://www.nseindia.com). With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in

Public Issue with effect from January 01, 2016. The List of ETA and DPs centres for collecting the application shall be disclosed is available on the websites of BSE i.e., www.bseindia.com and NSE i.e., www.nseindia.com.

### **APPLICANT'S DEPOSITORY ACCOUNT AND BANK DETAILS**

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

### **SUBMISSION OF APPLICATION FORM**

All Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

### **COMMUNICATIONS**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

### **DISPOSAL OF APPLICATION AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY**

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at BSE SME where the Equity Shares are proposed to be listed are taken within 6 (Six) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Issue Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Issue Closing Date, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

## **RIGHT TO REJECT APPLICATIONS**

In case of QIB Applicants, the Company in consultation with the LM may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non-Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

## **IMPERSONATION**

*Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:*

*"Any person who—*

- (a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."*

## **UNDERTAKINGS BY OUR COMPANY**

We undertake as follows:

1. That the complaints received in respect of the Issue shall be attended to by us expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 6 (six) Working days of Issue Closing Date.
3. That if the Company do not proceed with the Issue, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
4. That our Promoters' contribution in full has already been brought in;
5. That no further issue of Equity Shares shall be made till the Equity Shares offered through the Prospectus are listed or until the Application monies are unblocked on account of non-listing, under subscription etc. and
6. That if the Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a offer document with the ROC/ SEBI, in the event our Company subsequently decides to proceed with the Issuer;
7. That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by us;
8. That where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the specified period of closure of the Issue giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
9. That Company shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received;
10. Adequate arrangements shall be made to collect all Application Forms from the Applicants;
11. That the certificates of the securities/refund orders to Eligible NRIs shall be dispatched within specified time; and

12. That none of the promoters or directors of the company is willful defaulter under Section 5(c) of SEBI (ICDR) Regulations, 2018.

#### **UTILIZATION OF ISSUE PROCEEDS**

The Board of Directors of our Company certifies that:

1. All monies received out of the Issue shall be credited / transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
2. Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized
3. Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested and
4. Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
6. The Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

#### **EQUITY SHARES IN DEMATERIALIZED FORM WITH NSDL OR CDSL**

To enable all shareholders of our Company to have their shareholding in electronic form, the Company has signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a. Tripartite Agreement dated March 22, 2023 between NSDL, the Company and the Registrar to the Issue;
- b. Tripartite Agreement dated March 15, 2023 between CDSL, the Company and the Registrar to the Issue;
- c. The Company's equity shares bear an International Securities Identification Number **INE0P4P01011**.

## **RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 (“FEMA”). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India (“RBI”) and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”).

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated Foreign Direct Investment Policy notified by the DPIIT File No. 5(2) / 2020-FDI Policy dated October 15, 2020, with effect from October 15, 2020 (the “FDI Policy”), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT or the DPIIT that were in force and effect prior to October 15, 2020. The Government of India proposes to update the consolidated circular on FDI Policy once every year and therefore, the FDI Policy will be valid until the DPIIT issues an updated circular.

In terms of the FEMA NDI Rules, a person resident outside India may make investments into India, subject to certain terms and conditions, and provided that an entity of a country, which shares land border with India or the beneficial owner of an investment into India who is situated in or is a citizen of any such country, shall invest only with government approval.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that

- (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the Takeover Regulations;
- (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and
- (iii) the pricing is in accordance with the guidelines prescribed by the SEBI / RBI.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country (“Restricted Investors”), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction / purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India. Each Applicant should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Applicant shall intimate our Company and the Registrar to the Issue in writing about such approval along with a copy thereof within the Issue Period.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates

and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

#### **INVESTMENT CONDITIONS / RESTRICTIONS FOR OVERSEAS ENTITIES:**

Under the current FDI Policy 2020, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI / OCI, LLPs, FVCI, Investment Vehicles and DRs under Foreign Exchange Management. (Non-debt Instruments) Rules, 2019. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49% or sectoral / statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and / or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral / statutory cap.

#### **INVESTMENT BY FPIS UNDER PORTFOLIO INVESTMENT SCHEME (PIS):**

With regards to purchase / sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24% of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10% and 24% will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap / statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

#### **INVESTMENT BY NRI OR OCI ON REPATRIATION BASIS:**

The purchase / sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as “Capital Instruments”) of a listed Indian company on a recognised stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Foreign Exchange Management (Non-debt Instruments) Rules, 2019.

The total holding by any individual NRI or OCI shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

#### **INVESTMENT BY NRI OR OCI ON NON-REPATRIATION BASIS:**

As per current FDI Policy 2020, Foreign Exchange Management (Non-debt Instruments) Rules, 2019, Purchase / sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non- repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (“US Securities Act”) or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of “US Persons” as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.**

**Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.**

**Further, no offer to the public (as defined under Directive 2003/71/EC, together with any amendments) and implementing measures thereto, (the “Prospectus Directive”) has been or will be made in respect of the Issue in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.**

**Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Draft Prospectus.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

**The above information is given for the benefit of the Applicants. Our Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.**

## SECTION XII: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

The regulation contained in Table 'F' of the First schedule to the Companies Act, 2013, so far as the same are applicable to a Company limited by shares, as defined in the Companies Act, 2013, shall apply to this Company in the same manner as if all such Regulations Table 'F' are specifically contained in the Articles, subject to the modifications herein contained.

Article No.	Article	Particulars
<b>I.</b>	<b>INTERPRETATION</b>	
(1)	In these regulations- "The Company" or "This Company"	means <b>TECHKNOWGREEN SOLUTIONS LIMITED</b>
	"Act"	means "The Companies Act, 2013" or any previous enactment thereof, or any statutory modifications thereto or re-enactment thereof and includes any Rules and Regulations framed thereunder
	"Articles"	means the Articles of Association of a Company, as originally framed or as altered from time to time.
	"Annual General Meeting"	means a General Meeting of the Members held in accordance with the provisions of the Section 96 of the Act or any adjourned meeting thereof.
	"Auditors"	means and include those persons appointed as such for the time being in force by the Company or, where so permitted by Applicable Law, by its Board.
	"Applicable Law"	means the Act, and as appropriate, includes any statute, law, listing agreement, regulation, ordinance, rule, judgment, order, decree, bye-law, clearance, directive, guideline, policy, requirement, notifications and clarifications or other governmental instruction or any similar form of decision of or determination by or any interpretation or administration having the force of law of any of the foregoing, by any governmental authority having jurisdiction over the matter in question or mandatory standards as may be applicable from time to time.
	"Beneficial Owner"	means and include beneficial owner as defined in clause (a) sub section (1) of Section 2 of the Depositories Act, 1996 or such other Act as may be applicable.
	"Board of Directors" or "Board"	in relation to a company, means the collectively body of the directors of the Company.
	"Capital"	means the share capital for the time being raised or authorized to be raised for the purpose of the Company.
	"The Chairman"	means the Chairman of the Board of Directors for the time being of the Company.
	"Charge"	means an interest or lien created on the property or assets of a Company or any-of its undertakings or both as security and includes a mortgage.
	"Debentures"	includes debenture-stock, bonds or any other instrument of a Company evidencing a debt, whether constituting a charge on the assets of the company or not.
	"Depositories Act"	means the Depositories Act, 1996 and includes any statutory modification(s) or re-enactment thereof for the time being in force.
	"Depository"	means a Depository as defined in clause (e) sub- section (1) of section 2 of the Depositories Act, 1996.
	"Director"	means a director appointed to the Board of a company.
	"Dividend"	includes any interim dividend.
	"Executor" or "Administrator"	means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by



	the Administrator General under section 31 of the Administrator General Act, 1963.
<b>"Legal Representative" "Members"</b>	means a person who in law represents the estate of a deceased Member. in relation to a Company, means; <ul style="list-style-type: none"> <li>(A) The subscriber to the memorandum of the company who shall be deemed to have agreed to become member of the company, and on its registration, shall be entered as member in its register of members;</li> <li>(B) Every other person who agrees in writing to become a member of the company and whose name is entered in the register of members of the company;</li> <li>(C) Every person holding shares of the company and whose name is entered as a beneficial owner in the records of a Depository.</li> </ul>
<b>"Meeting" or "General Meeting"</b>	means a meeting of the members of the Company.
<b>"Extraordinary General Meeting"</b>	means an extraordinary general meeting of the Members duly called and constituted and any adjourned holding thereof.
<b>"Month"</b>	means a calendar month.
<b>"National Holiday"</b>	means and includes a day declared as National Holiday by the Central Government.
<b>"Office"</b>	means the registered office for the time being of the Company.
<b>"Ordinary or Special Resolution"</b>	means an ordinary resolution, or as the case may be, special resolution referred to in Section 114 of the Companies Act 2013.
<b>"Paid-up share capital" or "share capital paid up"</b>	means such aggregate amount of money credited as paid up as its equivalent to the amount received as paid up in respect of shares issued and also includes any amount credited as paid up in respect of shares of the company but does not include any other amount received in respect of such shares, by whatever name called.
<b>"Proxy"</b>	means an instrument whereby any person is authorized to attend a meeting and vote for a member at the general meeting on a poll and includes attorney duly constituted under the power of attorney.
<b>"Register of Beneficial Owners"</b>	means the register of members in case of shares held with a Depository in any media as may be permitted by law, including in any form of Electronic Mode
<b>"The Register of Members"</b>	means the Register of Members to be kept pursuant to Section 88 of the Act and includes Register of Beneficial Owners.
<b>"The Registrar"</b>	means the Registrar, an Additional Registrar, a Joint Registrar, a Deputy Registrar, or an Assistant Registrar, having the duty of registering Companies and discharging various functions under the Act.
<b>"The Company's Regulations"</b>	means the regulations for the time being for the management of the Company.
<b>"Key managerial personnel"</b>	in relation to a Company, means- <ul style="list-style-type: none"> <li>(A) The Chief Executive Officer or the Managing Director or the Manager;</li> <li>(B) The Company Secretary;</li> <li>(C) The Whole-Time Director;</li> <li>(D) Chief Financial Officer;</li> <li>(E) Such other officer as may be prescribed;</li> </ul>
<b>"Company Secretary" or "Secretary"</b>	means a company secretary as defined in clause (c) of sub-section (1) of section 2 of the Company Secretaries Act, 1980 who is appointed by a company to perform the functions of a company secretary under this Act.
<b>"Security"</b>	means Shares, Debentures and/or such other securities as defined in clause (h) of section 2 of the Securities Contracts (Regulation) Act, 1956
<b>"Share"</b>	means a share in the share capital of a Company and includes stock
<b>"The Seal"</b>	means the common seal of the Company.

- “The Statutes” means the Companies Act, 2013 and every other Act for the time being in force affecting the Company.
- “Year” and “Financial Year” “Years” means the calendar year and “Financial Year” shall have the meaning assigned thereto by Section 2 (41) of the Act.
- (2) Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the Company.

## II. SHARE CAPITAL AND VARIATION OF RIGHTS

- (1) The authorised share capital of the Company shall be as specified in Clause 5 of the Memorandum of the Company, and the same may be amended from time to time as provided in the Act.
- (2) Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.
- (3) (i) Every member shall be entitled, without payment to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the directors so approve (upon paying such fee as the Directors so time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holder. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue.
- (iii) In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
- (iv) Directors may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.
- (4) (i) If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every certificate under the article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.20/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulation or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act,1956 or any other Act, or rules applicable thereof in this behalf.

The provision of this Article shall mutatis mutandis apply to debentures of the company.

Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulation or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act,1956 or any other Act, or rules applicable thereof in this behalf.

(ii) The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the Company.

- (5) Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
- (6) (i) The Company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate percent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.
- (ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.
- (iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
- (7) (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
- (ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
- (8) The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari-passu therewith.
- (9) Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the Company before the issue of the shares may, by special resolution, determine.
- (10) Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the Company for the time being shall be under the control of the directors who may issue, allot or otherwise dispose of the same or any of them to such person, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of section 53 of the Act) at a discount and at such time as they may from time to time think fit and with sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the directors think fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.

Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.

### **III. LIEN**

- (11) The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.
- (12) The fully paid-up shares shall be free from all lien and that in case of partly paid shares, the Company's lien shall be restricted to money called or payable at a fixed price in respect of such shares.
- (13) The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:  
Provided that no sale shall be made-
- (a) unless a sum in respect of which the lien exists is presently payable; or
  - (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
- (14) (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
- (ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
- (iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
- (15) (i) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- (ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

### **IV. CALLS ON SHARES**

- (16) (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:
- Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.
- (ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.
- (iii) A call may be revoked or postponed at the discretion of the Board.
- (17) A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by installments.
- Provided that the Board shall not give the option or right to call on shares to any person except with the sanction of the Company in the Board Meeting or General Meeting as it deem fit.
- (18) The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

- (19) (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten percent per annum or at such lower rate, if any, as the Board may determine.
- (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.
- (20) (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
- (ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
- (21) The Board—
- (a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
- (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the Company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.
- (22) The Board may, if it thinks fit (subject to the provisions of Section 50 of the Act) agree to and receive from any Shareholder willing to advance the same, the whole or any part of the money due upon the shares held by him beyond the sums actually called up, and upon the amount so paid or satisfied in advance or so much thereof as from time to time and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares in respect of which such advance has been made, the Company may pay interest, as the Shareholder paying such sum in advance and the Board agree upon, provided that the money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.
- (23) No Shareholder shall be entitled to voting rights in respect of the money(ies) so paid by him until the same would but for such payment, become presently payable.
- (24) The provisions of these Articles shall mutatis mutandis apply to the calls on Debentures of the Company, to the extent applicable.

## **V. TRANSFER OF SHARES**

- (25) (i) The instrument of transfer shall be in writing and all provisions of Section 56 of the Companies Act, 2013 and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.
- (ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
- (iii) The Company shall use a common form of transfer.
- (26) Subject to the provisions of Section 59, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the Company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any shares or interest of a Member in or debentures of the Company.

The Company shall within thirty days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that the registration of a transfer shall not be refused on the ground

of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on shares.

- (27) The Board may decline to recognise any instrument of transfer unless-
- (a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
  - (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
  - (c) the instrument of transfer is in respect of only one class of shares.
- (28) On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:
- Provided that such registration shall not be suspended for more than thirty day at any one time or for more than forty-five days in the aggregate in any year.
- (29) Registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other Person or Persons indebted to the Company on any account whatsoever except where the Company has a lien on shares.
- (30) No fee shall be charged for registration of transfer, transmission, probate, succession certificate and Letters of administration, Certificate of Death or Marriage, Power of Attorney or similar other document.

## **VI. TRANSMISSION OF SHARES**

- (31) (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the shares.
- (ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
- (32) (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—
- (a) to be registered himself as holder of the share; or
  - (b) to make such transfer of the share as the deceased or insolvent member could have made.
- (ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
- (33) (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
- (ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- (iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
- (34) A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder

of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

## **VII. FORFEITURE OF SHARES**

- (35) If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.
- (36) The notice aforesaid shall-
- (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
- (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
- (37) If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
- (38) (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
- (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
- (39) (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.
- (ii) The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.
- (40) (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;
- (ii) The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
- (iii) The transferee shall thereupon be registered as the holder of the share; and
- (iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
- (41) The provisions of these regulations as to forfeiture shall apply in the case of non- payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

## **VIII. ALTERATION OF CAPITAL**

(42) The Company may, from time to time, by special resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

(43) Subject to the provisions of section 61, the Company may, by special resolution,-

- (a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (b) Convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
- (c) Sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
- (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

(44) Where shares are converted into stock,—

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(c) such of the regulations of the Company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.

(45) The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—

- (a) its share capital;
- (b) any capital redemption reserve account; or
- (c) any share premium account.

## **IX. CAPITALISATION OF PROFITS**

(46) (i) The Company in general meeting may, upon the recommendation of the Board, resolve—

(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company’s reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—

(A) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(B) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);



(D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;

(E) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.

- (47) (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall-
- (a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares if any; and
  - (b) generally do all acts and things required to give effect thereto.
- (ii) The Board shall have power-
- (a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
  - (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares;
- (iii) Any agreement made under such authority shall be effective and binding on such members.

#### **X. BUY-BACK OF SHARES**

- (48) Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.

#### **XI. FURTHER ISSUE OF SHARE CAPITAL**

- (49) Where at any time after the expiry of two years from the formation of the Company or at any time after the expiry of one year from the allotment of shares in the Company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the Company by allotment of further shares then:
- a) Such further shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the Company, in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer, subject to the following conditions, namely;-
  - b) The offer aforesaid shall be made by a notice specifying the number of shares offered and limiting a time not being less than fifteen days or such lesser number of days as may be prescribed and not exceeding thirty days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined;
  - c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in subclause (b) shall contain a statement of this right;
  - d) After the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the shareholders and the Company.
- (50) Notwithstanding anything contained in subclause (1) the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in clause (a) of sub-clause (1) hereof) in any manner whatsoever.
- a) If a special resolution to that effect is passed by the Company in general meeting, or

b) Where no such resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in that general meeting (including the casting vote, if any, of the Chairman) by members who, being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the Company.

(51) Nothing in sub-clause (c) of (1) hereof shall be deemed:

a) To extend the time within which the offer should be accepted; or

b) To authorize any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.

(52) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debentures issued or loans raised by the Company:

(i) To convert such debentures or loans into shares in the Company; or

(ii) To subscribe for shares in the Company

PROVIDED THAT the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:

a) Either has been approved by the central Government before the issue of debentures or the raising of the loans or is in conformity with Rules, if any, made by that Government in this behalf; and

b) In the case of debentures or loans or other than debentures issued to, or loans obtained from the Government, or any institution specified by the Central Government in this behalf, has also been approved by the special resolution passed by the Company in General Meeting before the issue of the loans.

## **XII. TERMS OF ISSUE OF DEBENTURE**

(53) Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.

## **XIII. DEMATERIALISATION OF SECURITIES**

(54) The Company or an investor may exercise an option to issue, deal in, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialised, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereof, shall be governed by the provisions of the Depositories Act, 1996 as amended from time to time or any statutory modification thereto or re-enactment thereof.

## **XIV. GENERAL MEETINGS**

(55) All general meetings other than annual general meeting shall be called extra- ordinary general meeting.

(56) (i) The Board may, whenever it thinks fit, call an extraordinary general meeting in terms of Section 101 (1) of the Companies Act 2013 by giving not less than clear twenty-one (21) days' notice either in writing or through electronic mode.

Provided a general meeting may be called after giving a shorter notice if consent is given in writing or by electronic mode by not less than ninety-five percent of the members entitled to vote at such meeting.

(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the Company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

#### **XV. PROCEEDINGS AT GENERAL MEETINGS**

- (57) (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
- (ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.
- (58) The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the Company.
- (59) If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
- (60) If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

#### **XVI. ADJOURNMENT OF MEETING**

- (61) (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
- (ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- (iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

#### **XVII. VOTING RIGHTS**

- (62) Subject to any rights or restrictions for the time being attached to any class or classes of shares,-
- (a) on a show of hands, every member present in person shall have one vote; and
- (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the Company.
- (63) A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
- (64) (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
- (ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
- (65) A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
- (66) Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

- (67) No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
- (68) (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
- (ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

#### **XVIII. PROXY**

- (69) The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
- (70) An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
- (71) A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

#### **XIX. BOARD OF DIRECTORS**

- (72) Unless otherwise determined by the Company in general meeting, the number of directors shall not be less than 3 (three) and shall not be more than 15 (fifteen).

The following shall be the First Directors of the Company:

1. Ajay Ramakant Ojha
2. Prasad Rangrao Pawar
3. Aniket Vijay Kadam

- (73) (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
- (ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them-
- (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company; or
  - (b) in connection with the business of the Company.
- (74) The Board may pay all expenses incurred in getting up and registering the Company.
- (75) The Company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provision of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.
- (76) All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

- (77) Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
- (78) (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.
- (ii) Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.

## **XX. PROCEEDINGS OF THE BOARD**

- (79) (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
- (ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
- (80) (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- (ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
- (81) The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose.
- (82) (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.
- (83) (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
- (ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
- (84) (i) A committee may elect a Chairperson of its meetings.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
- (85) (i) A committee may meet and adjourn as it thinks fit.
- (ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
- (86) All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
- (87) Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or

committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

## **XXI. CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER**

(88) Subject to the provisions of the Act,—

(i) A chief executive officer, manager, Company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, Company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

(ii) A director may be appointed as chief executive officer, manager, Company secretary or chief financial officer.

(89) A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, Company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, Company secretary or chief financial officer.

## **XXII. THE SEAL**

(90) (i) The Board shall provide for the safe custody of the seal.

(ii) The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.

## **XXIII. DIVIDENDS AND RESERVE**

(91) The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

(92) Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company.

(93) (i) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

(94) (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any

share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

(iv) Any amount paid-up in advance of calls on any share may carry interest but shall not entitle the holder of the share to participate in profit, right to dividend subsequently declared.

- (95) The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.
- (96) (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.
- (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
- (97) Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
- (98) Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
- (99) No dividend shall bear interest against the Company.
- (100) (i) Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of 30 days, to a special account to be opened by the Company in that behalf in any scheduled bank, to be called "Unpaid Dividend Account".
- (ii) Any money transferred to the unpaid dividend account of a Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company to the Fund known as Investor Education and Protection Fund established under section 125 of the Act and the Company shall send a statement in the prescribed form of the details of such transfer to the authority which administers the said fund and that authority shall issue a receipt to the Company as evidence of such transfer.
- (iii) All shares in respect of which dividend has not been paid or claimed for 7 (seven) consecutive years or more shall be transferred by the Company in the name of the Investors Education and Protection Fund subject to the provisions of the Act and Rules.
- (101) No unclaimed Dividend shall be forfeited by the Board before the claim becomes barred by Law.

#### **XXIV. REGISTERS TO BE MAINTAINED BY THE COMPANY**

- (102) The Company shall cause to be kept a register and index of members in accordance with all applicable provisions of the Companies Act, 2013 and the Depositories Act, 1996 with details of shares held in physical and dematerialised forms in any medium as may be permitted by law including in any form of electronic medium. The Company shall be entitled to keep in any State or Country outside India a branch Register of Members Resident in that State or Country.

#### **XXV. ACCOUNTS**

- (103) (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of members not being directors.
- (ii) No member (not being a director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Board or by the Company in general meeting.

## **XXVI. WINDING UP**

(104) Subject to the provisions of the Act and rules made thereunder-

(i) If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.

(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

## **XXVII. INDEMNITY**

(105) Every officer of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.



## SECTION XIII: OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of the Draft Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Draft Prospectus will be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at Flat-202, Hem Opal Apartment, Plot No. 26, Ekta Park Society, Wakdevadi, Pune – 411003, Maharashtra, India from date of filing the Draft Prospectus with RoC to Issue Closing Date on Working Days from 10.00 a.m. to 5.00 p.m.

#### **A. Material Contracts**

1. Issue Agreement dated July 20, 2023 entered between our Company and the Lead Manager.
2. Registrar Agreement dated July 20, 2023 entered between our Company and the Registrar to the Issue.
3. Underwriting Agreement dated July 20, 2023 entered between our Company, the Lead Manager and Underwriter.
4. Market Making Agreement July 20, 2023 entered between our Company, Lead Manager and Market Maker.
5. Bankers to the Issue Agreement dated [●] entered between our Company, the Lead Manager, Banker to the Issue/ Sponsor Bank and Registrar to the Issue.
6. Tripartite agreement among the NSDL, our Company and the Registrar dated March 22, 2023.
7. Tripartite agreement among the CDSL, our Company and the Registrar dated March 15, 2023.

#### **B. Material Documents**

1. Certified true copy of the Memorandum and Articles of Association of our Company including certificates of incorporation.
2. Board resolution dated April 03, 2023 and special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the EGM by the shareholders of our Company held on May 02, 2023.
3. Copies of Audited Financial Statements of our Company for the Financial Years ended March 31, 2023, 2022, and 2021.
4. Examination Report dated July 27, 2023 on Restated Financial Statements of our Company for the Financial Years ended March 31, 2023, 2022, and 2021.
5. Copy of Statement of Special Tax Benefits dated July 27, 2023 from the Peer Review Auditor included in this draft prospectus.
6. Copy of Certificate from the Statutory Auditor dated July 27, 2023 regarding the source and deployment of funds.
7. Consents of the Directors, Promoters, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor holding Peer Review Certificate, Lead Manager to the Issue, Legal Advisor to the Issue, Advisor to the Company, Bankers to our Company, Banker to the Issue, Registrar to the Issue, Underwriter and Market Maker to include their names in the Draft Prospectus to act in their respective capacities.

8. Due Diligence Certificate dated July 28, 2023 addressed to BSE Limited from Lead Manager.
9. Due Diligence Certificate dated [●] addressed to SEBI from Lead Manager.
10. In-principle listing approval dated [●] from the BSE Limited for listing the Equity Shares on the SME Platform of the BSE Limited (“**BSE SME**”).

Any of the contracts or documents mentioned in the Draft Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, with the consent of shareholders subject to compliance of the provisions contained in the Companies Act and other relevant.

### **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the guidelines and regulations issued by SEBI, established under Section 3 of the SEBI Act as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Draft Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

---

Ajay Ramakant Ojha  
(Managing Director)  
DIN: 03549762

Date: July 27, 2023  
Place: Mumbai

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the guidelines and regulations issued by SEBI, established under Section 3 of the SEBI Act as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Draft Prospectus are true and correct.

## **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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Prasad Rangrao Pawar  
(Executive Director & Chief Executive Officer)  
DIN: 02033491

Date: July 27, 2023  
Place: Mumbai

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the guidelines and regulations issued by SEBI, established under Section 3 of the SEBI Act as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Draft Prospectus are true and correct.

## **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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Aniket Vijay Kadam  
(Executive Director)  
DIN: 05010202

Date: July 27, 2023  
Place: Mumbai

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the guidelines and regulations issued by SEBI, established under Section 3 of the SEBI Act as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Draft Prospectus are true and correct. This certificate has been issued on the basis of declaration and information furnished to me by the Company.

## **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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Kuntal Jitendra Dave  
(Independent Director)  
DIN: 00309275

Date: July 27, 2023  
Place: Mumbai

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the guidelines and regulations issued by SEBI, established under Section 3 of the SEBI Act as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Draft Prospectus are true and correct.

## **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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Ronita Ghosh  
(Independent Director)  
DIN: 09240267

Date: July 27, 2023  
Place: Pune

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the guidelines and regulations issued by SEBI, established under Section 3 of the SEBI Act as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Draft Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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Vinayak Dattatraya Kelkar  
(Independent Director)  
DIN: 10048658

Date: July 27, 2023

Place: Pune



## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the guidelines and regulations issued by SEBI, established under Section 3 of the SEBI Act as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Draft Prospectus are true and correct.

## **SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY**

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Aniket Vijay Kadam  
(Chief Financial Officer)  
PAN: AMXPK1735H

Date: July 27, 2023  
Place: Mumbai

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines and regulations issued by the Government of India or the guidelines and regulations issued by SEBI, established under Section 3 of the SEBI Act as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, the SCRA, the SCRR, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Draft Prospectus are true and correct.

## **SIGNED BY THE COMPANY SECRETARY AND COMPLIANCE OFFICER OF OUR COMPANY**

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VINAYAK CHINDAK  
(Company Secretary &  
Compliance Officer)  
PAN: BVNPC4810R

Date: July 27, 2023  
Place: Mumbai