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PROSPECTUS

Dated: January 28, 2025

(Please read section 26 and 32 of the Companies Act, 2013)

(This Prospectus will be updated upon filing with the RoC)

100% Book Built Issue



CLN ENERGY LIMITED

Corporate Identification Number: U33100UP2019PLC121869

REGISTERED OFFICE	CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
Plot-18, Sector-140, Phase-2, Nepz Post Office, Gautam Buddha Nagar, Dadri, 201305, Uttar Pradesh, India.	Sonal Jhanwar Company Secretary & Compliance Officer	E-mail: ipo@clnenergy.in Tel No: +91 75799 06940	www.clnenergy.in

PROMOTERS OF OUR COMPANY: CLN ENERGY PTE.LTD. AND RAJIV SETH

DETAILS OF THE ISSUE

TYPE	FRESH ISSUE SIZE*	OFS SIZE (BY NO. OF SHARES OR BY AMOUNT IN (₹))	TOTAL ISSUE SIZE*	ELIGIBILITY
Fresh Issue	28,92,000 Equity Shares of ₹ 10 each aggregating to ₹ 7,230.00 lakhs	NA	28,92,000 Equity Shares of ₹ 10 each aggregating to ₹ 7,230.00 lakhs	This issue is being made in terms of Regulation [229(2)] of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended.

DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION – NOT APPLICABLE AS THIS IS A FRESH ISSUE OF EQUITY SHARES

RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of the Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of each Equity Share is ₹ 10/-. The Floor Price, Cap Price and Issue Price as determined by our Company, in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building process, as stated under “Basis for Issue Price” on page 80 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the Prospectus. Specific attention of the investors is invited of the section titled “Risk Factors” beginning on Page No. 22 of this Prospectus.

ISSUER’S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares issued through the Red Herring Prospectus are proposed to be listed on the SME Platform of BSE Limited (“BSE SME”) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an ‘in-principle’ approval letter dated November 19, 2024 from BSE Limited (“BSE”) for using its name in this offer document for listing our shares on the SME Platform of BSE Limited. For the purpose of this Issue, the Designated Stock Exchange will be BSE Limited (“BSE”). A copy of the Red Herring Prospectus was filed and the Prospectus shall be delivered to the RoC in accordance under Section 26(4) of the Companies Act, 2013.

BOOK RUNNING LEAD MANAGER

NAME AND LOGO	CONTACT PERSON	EMAIL & TELEPHONE
 ARYAMAN FINANCIAL SERVICES LIMITED	Vatsal Ganatra/Deepak Biyani	Tel: +91 - 22 - 6216 6999 Email: ipo@afsl.co.in

REGISTRAR TO THE ISSUE

NAME AND LOGO	CONTACT PERSON	EMAIL & TELEPHONE
 BIGSHARE SERVICES PRIVATE LIMITED	Babu Rapheal	Tel. No.: +91 - 22 - 6263 8200 Email: ipo@bigshareonline.com

BID/ ISSUE PERIOD

ANCHOR PORTION ISSUE OPENS/CLOSES ON: WEDNESDAY, JANUARY 22, 2025**	BID/ISSUE OPENS ON: THURSDAY, JANUARY 23, 2025	BID/ISSUE CLOSES ON: MONDAY, JANUARY 27, 2025
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* Subject to finalization of Basis of Allotment.

** The Anchor Investor Bidding Date was 1 (one) Working Day prior to the Bid/Issue Opening Date.



CLN ENERGY LIMITED

CLN Energy Limited was originally incorporated as "JLNPhenix Energy Private Limited" on October 01, 2019 under the provisions of the Companies Act, 2013 with the Registrar of Companies, Kanpur with CIN U29309UP2019PTC121869. Subsequently, the name of our Company was changed to "CLN Energy Private Limited" vide special resolution passed by the shareholders of our Company in their meeting held on September 29, 2022 and a fresh Certificate of Incorporation consequent to the change of name was granted to our Company on May 08, 2023, by the Registrar of Companies, Kanpur. Further, our Company was converted into Public Limited Company pursuant to special resolution passed by the shareholders of our Company in their meeting held on April 04, 2024 and the name of our Company was changed to "CLN Energy Limited" and a Fresh Certificate of Incorporation consequent upon conversion of Company to Public Limited dated June 18, 2024, was issued by Central Processing Centre bearing CIN: U33100UP2019PLC121869

Registered Office: Plot-18, Sector-140, Phase-2, Nepz Post Office, Gautam Buddha Nagar, Dadri, 201305, Uttar Pradesh, India; **Telephone:** +91 75799 06940;

Email: ipo@clnenergy.in; **Website:** www.clnenergy.in; **Contact Person:** Sonal Jhanwar Company Secretary & Compliance Officer; **Corporate Identity Number:** U33100UP2019PLC121869

PROMOTERS OF OUR COMPANY: CLN ENERGY PTE.LTD. AND RAJIV SETH

DETAILS OF THE ISSUE

INITIAL PUBLIC OFFER OF 28,92,000* EQUITY SHARES OF FACE VALUE OF ₹10/- EACH ("EQUITY SHARES") OF CLN ENERGY LIMITED ("OUR COMPANY" OR "THE ISSUER") AT AN ISSUE PRICE OF ₹250 PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹240 PER EQUITY SHARE) FOR CASH, AGGREGATING TO ₹7,230.00 LAKHS ("PUBLIC ISSUE") OUT OF WHICH 1,56,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH, AT AN ISSUE PRICE OF ₹250 PER EQUITY SHARE FOR CASH, AGGREGATING ₹390.00 LAKHS RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 27,36,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AT AN ISSUE PRICE OF ₹250 PER EQUITY SHARE FOR CASH, AGGREGATING UPTO ₹ 6,840.00 LAKHS IS HERE INAFTER REFERRED TO AS THE "NET ISSUE". THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE 27.40% AND 25.93% RESPECTIVELY OF THE POST- ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. THE FACE VALUE OF EQUITY SHARES IS ₹ 10 EACH AND THE ISSUE PRICE IS 25.00 TIMES OF THE FACE VALUE.

This Issue was made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with [Regulation 229 (2)] of the SEBI ICDR Regulations and in compliance with Regulation 253 of the SEBI ICDR Regulations, wherein not more than 50% of the Net Issue was made available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"), provided that our Company may, in consultation with the Book Running Lead Manager, may allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("Anchor Investor Portion"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5.00% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5.00% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Issue was made available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Net Issue was made available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. All Bidders are required to participate in the Issue by mandatorily utilizing the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA Account (as defined hereinafter) in which the corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks ("SCSBs") or under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see "Issue Procedure" on page 253 of this Prospectus.

RISK IN RELATION TO THE FIRST ISSUE

This being the first issue of the Issuer, there has been no formal market for the securities of the Issuer. The face value of the equity shares is Rs. 10/- The issue price/floor price/price band should not be taken to be indicative of the market price of the specified securities after the specified securities are listed. No assurance can be given regarding an active or sustained trading in the equity shares of the Issuer nor regarding the price at which the equity shares will be traded after listing.

GENERAL RISKS

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Prospectus. Specific attention of the investors is invited of the section titled "Risk Factors" beginning on Page No. 22 of this Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares issued through the Red Herring Prospectus are proposed to be listed on the SME Platform of BSE Limited ("BSE SME") in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an 'in-principle' approval letter dated November 19, 2024 from BSE Limited ("BSE") for using its name in this offer document for listing our shares on SME Platform of BSE. For the purpose of this Issue, the Designated Stock Exchange will be BSE Limited ("BSE"). A copy of the Red Herring Prospectus was filed and the Prospectus shall be delivered to the RoC in accordance under Section 26(4) of the Companies Act, 2013.

BOOK RUNNING LEAD MANAGER



ARYAMAN FINANCIAL SERVICES LIMITED
60, Khatau Building, Ground Floor, Alkesh Dinesh Modi Marg
Fort, Mumbai – 400 001
Tel No.: +91 22 6216 6999
Email: ipo@afsl.co.in
Website: www.afsl.co.in
Investor Grievance Email: feedback@afsl.co.in
Contact Person: Vatsal Ganatra/ Deepak Biyani
SEBI Registration No. INM000011344

REGISTRAR TO THE ISSUE



BIGSHARE SERVICES PRIVATE LIMITED
Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre,
Mahakali Caves Road, Andheri (East) Mumbai – 400093
Tel. No.: +91 22 6263 8200
Email: ipo@bigshareonline.com
Website: www.bigshareonline.com
Investor Grievance Email: investor@bigshareonline.com
Contact Person: Babu Rapheal
SEBI Registration No.: INR000001385

ISSUE PROGRAMME

ANCHOR PORTION ISSUE OPENS/CLOSES ON: WEDNESDAY,
JANUARY 22, 2025**

BID/ISSUE OPENS ON: THURSDAY, JANUARY 23, 2025

BID/ISSUE CLOSES ON: MONDAY,
JANUARY 27, 2025

* Subject to finalization of Basis of Allotment.

** The Anchor Investor Bidding Date was 1 (one) Working Day prior to the Bid/Issue Opening Date.

Table of Contents

SECTION I – GENERAL	1
DEFINITIONS AND ABBREVIATIONS	1
CERTAIN CONVENTIONS AND PRESENTATION OF FINANCIAL	13
FORWARD-LOOKING STATEMENTS	15
SECTION II - SUMMARY OF ISSUE DOCUMENT	16
SECTION III- RISK FACTORS	22
SECTION IV: INTRODUCTION	44
THE ISSUE.....	44
SUMMARY OF FINANCIAL INFORMATION	46
GENERAL INFORMATION	50
CAPITAL STRUCTURE.....	62
SECTION V- PARTICULARS OF THE ISSUE	72
OBJECTS OF THE ISSUE	72
BASIS OF ISSUE PRICE	80
STATEMENT OF TAX BENEFITS.....	85
SECTION VI – ABOUT OUR COMPANY	88
INDUSTRY OVERVIEW	88
OUR BUSINESS	104
KEY REGULATIONS AND POLICIES.....	133
HISTORY AND CERTAIN CORPORATE MATTERS	143
OUR MANAGEMENT.....	147
OUR PROMOTER AND PROMOTER GROUP	162
DIVIDEND POLICY	167
SECTION VII- FINANCIAL INFORMATION	168
RESTATED FINANCIAL INFORMATION	168
OTHER FINANCIAL INFORMATION.....	193
MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION	194
CAPITALISATION STATEMENT	210
FINANCIAL INDEBTEDENESS	211
SECTION VIII – LEGAL AND OTHER INFORMATION	212
OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS	212
GOVERNMENT AND OTHER STATUTORY APPROVALS	219
SECTION IX – OTHER REGULATORY AND STATUTORY DISCLOSURES	228
SECTION X – ISSUE INFORMATION	241
TERMS OF THE ISSUE	241
ISSUE STRUCTURE	249
ISSUE PROCEDURE	253
RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES.....	281
SECTION XI – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION	283
SECTION XII – OTHER INFORMATION	316
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION	316
DECLARATION	318

SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the same meaning as provided below. References to any legislation, act, regulation, rule, guideline or policy shall be to such legislation, act, regulation, rule, guideline or policy, 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 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 Depositories Act or the rules and regulations made there under.

GENERAL AND COMPANY RELATED TERMS

Term	Description
“Company”, “our Company”, “the Company”, “the Issuer”, or “CLN”	CLN Energy Limited, a Company incorporated in India under the provisions of Companies Act, 2013, having its Registered office at Plot-18, Sector-140, Phase-2, Nepz Post Office, Gautam Buddha Nagar, Dadri, 201305, Uttar Pradesh, India
Our Promoter(s)	CLN Energy Pte. Ltd. and Rajiv Seth. For further details, please see the section entitled “Our Promoters and Promoter Group” on page 162 of this Prospectus.
Promoter Group	Companies, individuals and entities (other than companies) as defined under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018 which is provided in the chapter titled “Our Promoters and Promoter Group”.

COMPANY RELATED TERMS

Term	Description
Articles / Articles of Association/AOA	Articles of Association of our Company.
Audit Committee	The Audit Committee of the Board of Directors constituted in accordance with Section 177 of the Companies Act, 2013. For details refer section titled “Our Management” on page 147 of this Prospectus.
Auditor / Statutory Auditor/	The Statutory Auditors of our Company being M/s. Suraj Mishra & Associates., Chartered Accountants (F.R.N: 037503N).
Bankers to the Company	Banker to our Company, namely ICICI Bank Limited.
Board of Directors / Board/BOD	The Board of Directors of the Company unless otherwise specified.
Companies Act	The Companies Act, 1956/2013 as amended from time to time.
CIN	Corporate Identification Number of our Company i.e. U33100UP2019PLC121869
Chief Financial Officer (CFO)	The Chief Financial officer of our Company, being Ashish Kumar.
Company Secretary and Compliance Officer (CS)	The Company Secretary and Compliance Officer of our Company, being Sonal Jhanwar
Depositories Act	The Depositories Act, 1996, as amended from time to time
DIN	Director Identification Number
Equity Shares	Equity Shares of our Company of Face Value of ₹ 10/- each unless otherwise specified in the context thereof
Equity Shareholders	Persons/ Entities holding Equity Shares of Our Company
Executive Director/ ED	Executive Director
Group Companies	Companies with which there have been related party transactions, during the last three financial years, as covered under the applicable accounting standards and other companies as considered material by the Board in accordance with the Materiality Policy.
Independent Director	A non-executive & Independent Director as per the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Term	Description
Indian GAAP	Generally Accepted Accounting Principles in India
ISIN	International Securities Identification Number. In this case being INE0WDX01010.
Key Managerial Personnel / Key Managerial Employees	The officer vested with executive power and the officers at the level immediately below the Board of Directors as described in the section titled “Our Management” on page 147 of this Prospectus.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on June 24, 2024 in accordance with the requirements of the SEBI ICDR Regulations.
MOA/Memorandum of Association	Memorandum of Association of our Company as amended from time to time.
Non-Residents	A person resident outside India, as defined under FEMA.
Nomination and Remuneration Committee	The Nomination and Remuneration Committee of our Board of Directors constituted in accordance with Companies Act, 2013. For details refer section titled “Our Management” on page 147 of this Prospectus.
Non-Executive Director	A Director not being an Executive Director or an Independent Director.
NRIs / Non Resident Indians	A person resident outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign Outside India Regulations, 2000
Registered Office	The registered office of our Company, which is situated at Plot-18, Sector-140, Phase-2, Nepz Post Office, Gautam Buddha Nagar, Dadri, 201305, Uttar Pradesh, India.
Restated Financial Statements or Restated Financial Information or Financial Statements	The Restated Financial Information comprising the Statement of Assets and Liabilities as at September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, the Restated Statement of Profit and Loss (including other comprehensive income), the Restated Cash Flow Statement for the period ended September 30, 2024 and the year ended March 31, 2024, March 31, 2023 and March 31, 2022, the Summary Statement of Significant Accounting Policies, and other explanatory information, prepared in terms of the Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended; the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended; and the Guidance Note on “Reports in Company Prospectuses (Revised 2019)” issued by the Institute of Chartered Accountants of India (“ICAI”), as amended from time to time. For further details, see “Restated Financial Information” on page 168 of this Prospectus
Restated Financial Information	Restated financial information of our Company comprising of our Restated Financial Statements
ROC / Registrar of Companies	Registrar of Companies, Kanpur, having its office at 37/17, Westcott Building, The Mall, Kanpur-208001, Uttar Pradesh.
Senior Management	Senior Management of our Company in terms of the SEBI ICDR Regulations. For details, see “Our Management” beginning on page 147
Shareholders	Shareholders of our Company, from time to time.
Stakeholders Relationship Committee	The Stakeholders Relationship Committee of our Board of Directors constituted in accordance with Section 178 of the Companies Act, 2013. For details refer section titled “Our Management” on page 147 of this Prospectus.
Subscriber to MOA	Initial Subscribers to MOA being Jeevan Chand and Sanjay Chopra

ISSUE RELATED TERMS

Terms	Description
Abridged Prospectus	Abridged Prospectus means a memorandum containing such salient features of a Prospectus as may be specified by SEBI in this behalf
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application
Allotment	Issue of the Equity Shares pursuant to the Issue to the successful applicants
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchanges
Allotment/Allot/Allotted	Unless the context otherwise requires, allotment of Equity Shares offered pursuant to the Issue pursuant to successful Bidders.
Allottee(s)	The successful applicant to whom the Equity Shares are being / have been issued

Terms	Description
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Prospectus and who has Bid for an amount of at least ₹ 200 lakhs.
Anchor Investor Allocation Price	Rs. 250- per equity share i.e. the price at which Equity Shares were made available for allocation to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which was decided by our Company in consultation with the Book Running Lead Manager during the Anchor Investor Bid/ Issue Period.
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which was considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Anchor Investor Bid/ Issue Period	January 22, 2025, being one working day prior to the Bid/ Issue Opening Date, on which Bids by Anchor Investors was submitted and allocation to the Anchor Investors was completed.
Anchor Investor Issue Price	Rs. 250/- per equity share being the final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus.
Anchor Investor Portion	Upto 60% of the QIB Portion consisting of 8,20,800 Equity Shares which were allocated by our Company, in consultation with the Book Running Lead Manager, to the Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations.
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by applicants to make an application authorizing a SCSB to block the application amount in the ASBA Account maintained with the SCSB.
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of our Company
ASBA Account	An account maintained with the SCSB and specified in the application form submitted by ASBA applicant for blocking the amount mentioned in the application form.
ASBA Bid	A Bid made by ASBA Bidder
Bankers to the Issue	Banker to the Issue, Public Issue Bank, Refund Bank and Sponsor Bank, being Axis Bank Limited.
Basis of Allotment	The basis on which equity shares will be allotted to successful applicants under the Issue and which is described in paragraph titled “Basis of allotment” under chapter titled “Issue Procedure” starting from page no. 253 of this Prospectus.
Bid	An indication to make an Issue during the Bid/Issue Period by an ASBA Bidder pursuant to submission of the ASBA Form to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Prospectus and the relevant Bid cum Application Form. The term “Bidding” shall be construed accordingly.
Bid Amount	The amount at which the bidder makes a bid for the Equity Shares of our Company in terms of Prospectus.
Bid cum Application Form	The form in terms of which the bidder shall make a bid, including ASBA Form, and which shall be considered as the bid for the Allotment pursuant to the terms of this Prospectus.
Bid Lot	600 Equity Shares and in multiples of 600 Equity Shares thereafter
Bid/ Issue Period	The period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days
Bid/Issue Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries did not accept any Bids, being January 27, 2025
Bid/Issue Opening Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries did not accept any Bids, being January 23, 2025
Bidder/ Investor	Any prospective investor who makes a bid for Equity Shares in terms of the Red Herring Prospectus.
Bidding Centers	Centers at which the Designated Intermediaries shall accept the Bid cum Application Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centers for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Bidding Centers	Centers at which the Designated Intermediaries shall accept the Application Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centers for Registered Brokers, Designated RTA Locations for RTAs and

Terms	Description
	Designated CDP Locations for CDPs.
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made.
BRLM / Book Running Lead Manager	Book Running Lead Manager to the Issue, in this case being Aryaman Financial Services Limited, SEBI Registered Category I Merchant Banker.
Broker Centers	Broker centers notified by the Stock Exchanges where investors submitted the Application Forms to a Registered Broker.
Cap Price	The higher end of the Price Band being ₹ 250/- per Equity Share
Cut-Off Price	The Issue Price, which shall be any price within the Price band as finalized by our Company in consultation with the BRLM. Only Retail Individual Bidders are entitled to Bid at the Cut off Price. QIBs (including Anchor Investor) and Non-Institutional Investors are not entitled to Bid at the Cut-off Price.
Client Id	Client Identification Number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participants or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the BRLM, the Registrar to the Issue and the Stock Exchange.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, name of the applicant father/husband, investor status, and occupation and Bank Account details.
Depository	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 2018.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Designated Intermediaries/ Collecting Agent	The members of the Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are categorized to collect Application Forms from the Applicant, in relation to the Issue.
Designated CDP Locations	Such locations of the CDPs where bidder submitted the Bid cum 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 Bid cum Application Forms are available on the website of the Stock Exchange.
Designated Date	The date on which amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, in terms of the Red Herring Prospectus and this Prospectus, after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Board of Directors may Allot Equity Shares to successful Bidders in the Issue.
Designated RTA Locations	Such locations of the RTAs where bidder can submit the Bid cum Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid cum Application Forms are available on the website of the Stock Exchange.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Bid cum Application Form from the ASBA bidder and a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/ Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	SME Platform of BSE Limited (“BSE SME”)
DP ID	Depository Participant’s Identity Number
Draft Red Herring Prospectus	Draft Red Herring Prospectus dated July 31, 2024, filed with SME Exchange of BSE Limited in accordance with Section 32 of the Companies Act, 2013 and SEBI (ICDR) Regulations.
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
Eligible NRI	NRI from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares Allotted herein.
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 Red Herring Prospectus constitutes an

Terms	Description
	invitation to purchase the Equity Shares Issued thereby and who have opened demat accounts with SEBI registered qualified depository participants.
Escrow Account	The account(s) opened with the Escrow Collection Bank and in whose favour the Anchor Investors transferred money through NACH/direct credit/ NEFT/ RTGS in respect of the Bid Amount when submitting a Bid.
First/ Sole bidder	The bidder whose name appears first in the Bid cum Application Form or Revision Form.
Floor Price	The lower end of the Price Band being ₹ 235/- per Equity Share
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered under Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended.
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1) (III) of the SEBI ICDR Regulations
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
General Information Document (GID)	The General Information Document for investing in public issues prepared and issued in accordance with the circulars (CIR/CFD/DIL/12/2013) dated October 23, 2013, Notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 notified by SEBI.
GIR Number	General Index Registry Number
Issue	The issue of 28,92,000 Equity Shares of face value of ₹10 per Equity Share for an Issue Price of ₹ 250 per Equity Share, aggregating to ₹ 7,230.00 Lakhs.
Issue Agreement	Agreement dated July 23, 2024 entered amongst our Company and the Book Running Lead Manager, pursuant to which certain arrangements have been agreed to in relation to the Issue.
Issue Closing	Our Issue shall close on January 27, 2025.
Issue document	Includes the Draft Red Herring Prospectus, the Red Herring Prospectus and Prospectus to be filed with Registrar of Companies.
Issue Opening	Our Issue shall open on January 23, 2025.
Issue Period	The periods between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants may submit their Bidding application.
Issue Price	The price at which the Equity Shares are being issued by our Company through the Red Herring Prospectus / this Prospectus, being ₹ 250 /- (including share premium of ₹ 240/- per Equity Share).
Issue Proceeds	Proceeds to be raised by our Company through this Fresh Issue, for further details please refer chapter titled “Objects of the Issue” page 72 of this Prospectus.
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the BSE Limited.
Market Maker	The Market Maker to the Issue, in this case being Aryaman Capital Markets Limited.
Market Maker Reservation Portion	The reserved portion of 1,56,000 Equity Shares of ₹ 10 each at an Issue price of ₹ 250 each aggregating to ₹ 390.00 Lakhs to be subscribed by Market Maker in this Issue.
Market Making Agreement	The Market Making Agreement dated October 24, 2024 between our Company, Book Running Lead Manager and Market Maker.
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Mutual Fund Portion	5% of the Net QIB Portion, (other than anchor allocation), which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Issue Price.
Net Issue	The Issue excluding the Market Maker Reservation Portion of 1,56,000 Equity Shares of Face Value of ₹ 10.00 each fully paid for cash at a price of ₹ 250 per Equity Share aggregating ₹ 6,840.00 Lakhs by our Company.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors
Net Proceeds	The proceeds from the Issue less the Issue related expenses applicable to the Issue.
Non-Institutional Applicant / Investors	All Applicants, including FPIs which are individuals, corporate bodies and family offices, that are not QIBs or RIIs and who have Application for Equity Shares for an amount of more than ₹2.00 Lakhs (but not including NRIs other than Eligible NRIs)

Terms	Description
Non-Institutional Portion	The portion of the Issue being not less than 15% of the Net Issue consisting of 27,36,000 Equity Shares which shall be available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the Issue Price or through such other method of allocation as may be introduced under applicable law
NPCI	NPCI, a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India (RBI) and Indian Banks Association (IBA).
Person/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.
Price Band	Price Band of a minimum price (Floor Price) of ₹ 235 and the maximum price (Cap Price) of ₹ 250 .
Pricing Date	The date on which our Company, in consultation with the BRLM, will finalize the Issue Price.
Prospectus	The Prospectus dated January 28, 2025 to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information, including any addenda or corrigenda thereto.
Public Issue Account Agreement	Agreement to be entered into by our Company, the Registrar to the Issue, the Book Running Lead Manager, and the Public Issue Bank/Banker to the Issue for collection of the Application Amounts.
Public Issue Account	Account to be opened with the Banker to the Issue to receive monies from the SCSBs from the bank account of the ASBA bidder, on the Designated Date.
Public Issue Account Bank	The bank with whom the Public Issue Account shall be opened for collection of Bid Amounts from the Escrow Account and ASBA Accounts on the Designated Date, in this case being Axis Bank Limited.
Qualified Institutional Buyers / QIBs	The qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
QIB Category/ QIB Portion	The portion of the Net Issue (including the Anchor Investor Portion) being not more than 50% of the Net Issue, consisting of 27,36,000 Equity Shares which were made available for allocation to QIBs (including Anchor Investors) on a proportionate basis, (in which allocation to Anchor Investor were made available on a discretionary basis, as determined by our Company in consultation with the BRLM), subject to valid Bids being received at or above the Issue Price.
Red Herring Prospectus / RHP	The Red Herring Prospectus issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be Issued and the size of the Issue, including any addenda or corrigenda thereto.
Refund Bank(s) /Refund Banker(s)	Bank(s) which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Accounts will be opened in case listing of the Equity Shares does not occur, in this case being Axis Bank Limited.
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 Bid Amount to the Anchor Investors shall be made.
Registered Broker	Individuals or companies registered with SEBI as “Trading Members”(except Syndicate/ Sub-Syndicate Members) who hold valid membership of either BSE or BSE Limited having right to trade in stocks listed on Stock Exchanges ,through which investors can buy or sell securities listed on stock exchanges, a list of which is available on https://www.bseindia.com/
Registrar / Registrar to the Issue/ RTA	Registrar to the Issue being Bigshare Services Private Limited.
Registrar Agreement	The registrar agreement dated July 23, 2024 entered into between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Regulations	Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.
Retail Individual	Individual investors (including HUFs applying through their Karta and Eligible NRI

Terms	Description
Investors/(RII)	Bidders) who applies or bids for the Equity Shares of a value of not more than ₹ 2,00,000.
Retail Portions	Portion of the Issue being not less than 35% of the Net Issue consisting of 27,36,000 Equity Shares which was made available for allocation to RIBs (subject to valid Bids being received at or above the Issue Price), which shall not be less than the minimum Bid Lot subject to availability in the Retail Portion, and the remaining Equity Shares to be Allotted on a proportionate basis
Revision Form	The form used by the bidders to modify the quantity of Equity Shares or the bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s)
SCSB	A Self Certified Syndicate Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and Issues the facility of ASBA, including blocking of bank account. A list of all SCSBs is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&int mId=35
SME Platform of BSE	The SME platform of BSE, approved by SEBI as an SME Exchange for listing of equity shares issued under Chapter IX of the SEBI ICDR Regulations.
Sponsor Bank	The Banker to the Issue registered with SEBI and appointed by our Company to act as a conduit between the Stock Exchanges and the NPCI in order to push the mandate collect requests and / or payment instructions of the Retail Individual Bidders into the UPI and carry out other responsibilities, in terms of the UPI Circulars.
Sub Syndicate Member	The sub-syndicate members, if any, appointed by the BRLM and the Syndicate Members, to collect ASBA Forms and Revision Forms.
Syndicate Agreement	The agreement dated December 31, 2024 entered into amongst our Company, the BRLM and the Syndicate Members, in relation to the collection of Bids in this Issue
Syndicate Member(s)	Syndicate members as defined under Regulation 2(1) (hhh) of the SEBI ICDR Regulations, namely Aryaman Financial Services Limited.
Transaction Registration Slip/ TRS	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the bidders, as proof of registration of the bid.
Underwriter	BRLM/ Syndicate Member and Market Maker.
Underwriting Agreement	The Agreement dated October 24, 2024 entered into between the Underwriter and our Company
UPI	Unified payment Interface, which is an instant payment mechanism, developed by NPCI.
UPI Circular	Circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 issued by SEBI as amended or modified by SEBI from time to time, including 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, circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, the circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, the circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, and any other circulars issued by SEBI or any other governmental authority in relation thereto from time to time
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI.
UPI Mandate Request	A request (intimating the Retail Individual Bidder by way of a notification on the Mobile App and by way of a SMS directing the Retail Individual Bidder to such Mobile App) to the Retail Individual Bidder initiated by the Sponsor Bank to authorize blocking of funds on the Mobile App equivalent to Bid Amount and Subsequent debit of funds in case of Allotment.
UPI Mechanism	The bidding mechanism that may be used by a RII to make a Bid in the Issue in accordance with the UPI Circulars.
UPI PIN	Password to authenticate UPI transactions.
Wilful Defaulter and Fraudulent Borrower	A wilful defaulter(s) and fraudulent borrower(s) as defined under SEBI ICDR Regulations.
Working Days	In terms of Regulation 2(1)(mmm) of SEBI ICDR Regulations, working day means all days on which commercial banks in Mumbai are open for business. Further, in respect of Issue Period, working day means all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. Furthermore, the time period between the Issue Closing Date and the listing of Equity Shares on NSE, working day means

Terms	Description
	all trading days of NSE, excluding Sundays and bank holidays, as per circulars issued by SEBI

CONVENTIONAL AND GENERAL TERMS / ABBREVIATIONS

Term	Description
“₹” or “Rs.” or “Rupees” or “INR”	Indian Rupee
“Consolidated FDI Policy” or “FDI Policy”	Consolidated Foreign Direct Investment Policy notified by DPIIT through notification issued by DPIIT, effective from October 15, 2020
“Financial Year” or “Fiscal Year” or “FY”	Period of 12 months ending March 31 of that particular year
“OCBs” or “Overseas Corporate Body”	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
A/c	Account
AGM	Annual General Meeting
AIF	Alternative Investment Fund, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
CAGR	Compounded Annual Growth Rate
CAN	Confirmation Allocation Note
Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
Category I FPIs	FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations
Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
Category II FPIs	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
CBDT	Central Board of Direct Taxes, Government of India
CDSL	Central Depository Services (India) Limited
Central Government	Central Government of India
CFO	Chief Financial Officer
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CLRA	Contract Labour (Regulation and Abolition) Act, 1970
Companies Act 1956	Erstwhile Companies Act, 1956 along with the relevant rules made thereunder
Companies Act, 2013 / Companies Act	Companies Act, 2013 along with rules made thereunder
CS	Company Secretary
CSR	Corporate Social Responsibility
Depositories Act	The Depositories Act, 1996
Depository(ies)	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
DIN	Director Identification Number
DP ID	Depository Participant’s Identification Number
EBITDA	Earnings before Interest, Tax, Depreciation and Amortisation
ECB	External Commercial Borrowings

Term	Description
ECB Master Directions	Master Direction – External Commercial Borrowings, Trade Credits and Structured Obligations dated March 26, 2019 issued by the RBI
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPF Act	Employees’ Provident Fund and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
ESI Act	Employees’ State Insurance Act, 1948
FCNR Account	Foreign Currency Non Resident (Bank) account established in accordance with the FEMA
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FEMA Regulations	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year/Fiscal	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
FIR	First information report
FPIs	Foreign portfolio investors as defined and registered under the SEBI FPI Regulations
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign Venture Capital Investors as defined and registered under the SEBI FVCI Regulations
GDP	Gross Domestic Product
GoI / Government	The Government of India
GST	Goods and Services Tax
HUF(s)	Hindu Undivided Family(ies)
ICAI	The Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
Income Tax Act / IT Act	Income Tax Act, 1961
Ind AS	The Indian Accounting Standards referred to in the Companies (Indian Accounting Standard) Rules, 2015, as amended
Indian GAAP	Generally Accepted Accounting Principles in India
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time
Insolvency Code	Insolvency and Bankruptcy Code, 2016, as amended from time to time
ISIN	International Securities Identification Number
IT	Information Technology
MCA	The Ministry of Corporate Affairs, GoI
Merchant Banker	Merchant banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 as amended
Mn / mn	Million
MOF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
MSME	Micro, Small, and Medium Enterprises
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A. or NA	Not Applicable
NACH	National Automated Clearing House
NAV	Net Asset Value per Equity Share at a particular date computed based on total equity divided by number of Equity Shares
Net Worth	Net worth as defined under Regulation 2(1)(hh) of the SEBI ICDR Regulations, i.e., the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off as per the restated balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation
NR	Non-resident or person(s) resident outside India, as defined under the FE

Term	Description
NRE	Non- residential external
NRE Account	Non- residential external account
NRI	A person resident outside India, who is a citizen of India and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2016
NRO	Non- resident ordinary
NRO Account	Non-resident ordinary account
BSE	BSE Limited
NSDL	National Securities Depository Limited
NTA	Net Tangible Assets
OCI	Overseas Citizen of India
ODI	Off-shore Derivate Instruments
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
PIO	Person of Indian Origin
PLR	Prime Lending Rate
R&D	Research and Development
RBI	The Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement
SARFAESI Act	The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
SAT	Securities Appellate Tribunal
SCRA	Securities Contract (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, as amended
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended
SEBI Regulations	AIF Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended
SEBI Regulations	BTI Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
SEBI Regulations	FPI The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI Regulations	FVCI Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI Regulations	ICDR The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI Regulations	Listing Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Regulations	Takeover The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
SEBI Regulations	VCF Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, since repealed and replaced by the SEBI (AIF) Regulations
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
SME	Small and Medium Enterprises
Stamp Act	The Indian Stamp Act, 1899, as amended from time to time
State Government	The Government of a state in India
State Government	The Government of a State of India
Stock Exchange	Unless the context requires otherwise, refers to, the BSE Limited
TDS	Tax Deducted at Source
Trademarks Act	Trademarks Act, 1999, as amended
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
US\$/ USD/ US Dollar	United States Dollar, the official currency of the United States of America
USA/ U.S./ US	United States of America, its territories and possessions, any state of the United States of

Term	Description
	America and the District of Columbia
VAT	Value Added Tax
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be
w.e.f.	With effect from
Year/Calendar Year	Unless context otherwise requires, shall refer to the twelve-month period ending December 31

INDUSTRY AND BUSINESS RELATED TERMS

Terms	Description
WEO	World Economic Outlook
GDP	Gross Domestic Product
UK	United Kingdom
FRE	First Revised Estimates
HFI	High-Frequency Indicators
US	United States
CAD	Current Account Deficit
GST	Goods and Services Tax
CGST	Central Goods and Services Tax
SGST	State Goods and Services Tax
FDI	Foreign Direct Investment
IIP	Index of Industrial Production
MoSPI	Ministry of Statistics & Programme Implementation
CPI	Consumer Price Index
FII	Foreign Institutional Investors
DII	Domestic Institutional Investors
FPI	Foreign Portfolio Investors
MSME	Micro, Small & Medium Enterprises
DPIIT	Department for Promotion of Industry and Internal Trade
CGSS	Credit Guarantee Scheme for Start-ups
SEBI	Securities and Exchange Board of India
AFI	Alternative Investment Funds
TTDF	Telecom Technology Development Fund
USOF	Universal Service Obligation Fund
RBI	Reserve Bank of India
AI	Artificial Intelligence
AIDef	AI in Defense'
FTAs	Free Trade Agreements
UAE	United Arab Emirates
CEPA	Comprehensive Partnership Agreement
IndAus ECTA	India-Australia Economic Cooperation and Trade Agreement
SPI	Strengthening of Pharmaceutical Industry
ETP	Effluent Treatment Plant
PLI	Productivity Linked Incentive
CAGR	Compound Annual Growth Rate
EV	Electric Vehicles
CAFE	Corporate Average Fuel Economy
LCV	Light Commercial Vehicles
EPA	Environmental Protection Agency
LED	Light-Emitting Diode
LCO	Lithium Cobalt Oxide
LFP	Lithium Iron Phosphate
NCA	Lithium Nickel Cobalt Aluminium Oxide
UPS	Uninterruptible Power Supply
LTO	Lithium Titanate
FY	Financial Year
GVA	Gross Value Added
LIB	Lithium-Ion Battery

Terms	Description
GW	Gigawatts
BU	Billing units
UN	United Nations
ACC	Advanced Chemistry Cell
GSI	Geological Survey of India
G2G	Government-To-Government
LMO	Lithium Manganese Oxide
FAME	Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles
PLI	Production Linked Incentives
ACC	Advance Chemistry Cells
C-MET	Centre for Material for Electronics Technology
NITI	National Institution for Transforming India
MWH	Mega Watt per Hour
KWH	Kilo Watt per Hour
BMS	Battery Management System
R&D	Research & Development
UPS	Uninterruptible Power Supply
ISO	Independent System Operator
KWH	Kilowatt-Hour
ICAT	International Centre For Automotive Technology
ARAI	The Automotive Research Association Of India
IEC	International Electrotechnical Commission
TSEC	Technical Specification Evaluation Certificate
PFMEA	Process Failure Mode And Effects Analysis
DFMEA	Design Failure Mode And Effects Analysis
DPR	Digital Path Receiver.
NPD	Nano Diamond Battery
CAGR	Compound Annual Growth Rate
PBT	Profit Before Tax
PAT	Profit After Tax
ESS	Energy Storage System
DC-DC	Direct Current
AIS	Air-Insulated Switchgear
OTA	Operational Transconductance Amplifier
SOC	State Of Charge
CAN	Controller Area Network
PPC	Production Planning And Control
IR	Internal Resistance
PQC	Product Quality Control
OQC	Outgoing Quality Control
MRS	Material Requisition Slip
AGV	Automatic Guided Vehicle
MHE	Material Handling Equipment
SQA	Supplier Quality Assurance
IQA	Incoming Quality Assurance
PDI	Pre-Delivery Inspection
BESS	Battery Energy Storage System

Notwithstanding the foregoing, terms in “Main Provisions of Articles of Association”, “Statement of Tax Benefits”, “Industry Overview”, “Key Industrial Regulations and Policies”, “Financial Information”, “Outstanding Litigation and Material Developments” and “Issue Procedure” on pages 283, 85, 88, 133, 168, 212 and 253 respectively of this Prospectus, will have the meaning ascribed to such terms in these respective sections.

CERTAIN CONVENTIONS AND PRESENTATION OF FINANCIAL

Certain Conventions

All references in this Prospectus to ‘India’ are to the Republic of India and its territories and possessions and all references herein to the ‘Government’, ‘Indian Government’, ‘GoI’, ‘Central Government’ or the ‘State Government’ are to the GoI, central or state, as applicable.

Unless otherwise specified, any time mentioned in this Prospectus is in Indian Standard Time (“IST”).

Unless stated otherwise, all references to page numbers in this Prospectus are to the page numbers of this Prospectus. In this Prospectus, our Company has presented numerical information in “lakhs” units. One lakh represents 1,00,000.

Financial Data

Unless stated otherwise, the financial information in this Prospectus is derived from our Restated Financial Statements. The Restated Financial Statements included in this Prospectus are for the period ended September 30, 2024 and Fiscals ended March 31, 2024, March 31, 2023, and March 31, 2022, and have been prepared in accordance with Indian GAAP and the Companies Act, and have been restated in accordance with the SEBI (ICDR) Regulations. For further information, see please refer —Financial Information beginning on page no. 168 of this Prospectus.

In this Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places.

Our Company’s financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the 12 month period ended on March 31 of that year. Unless stated otherwise, or the context requires otherwise, all references to a “year” in this Prospectus are to a calendar year.

There are significant differences between Indian GAAP, IFRS and US GAAP. The Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on the Company’s financial data. Accordingly to what extent, the financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices / Indian GAAP. Any reliance by persons not familiar with Indian Accounting Practices on the financial disclosures presented in this Prospectus should accordingly be limited.

Unless the context otherwise indicates, any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” on page nos. 22, 104, and 194, respectively, of this Prospectus, and elsewhere in this Prospectus have been calculated on the basis of the Restated Financial Statements of our Company.

Currency and Units of Presentation

All references to “Rupees”, “Rs.” or “₹” are to Indian Rupees, the official currency of the Republic of India. All references to “US\$” or “US Dollars” or “USD” are to United States Dollars, the official currency of the United States of America.

This Prospectus may contain conversions of certain US Dollar and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI Regulations. These conversions should not be construed as a representation that those US Dollar or other currency amounts could have been, or can be converted into Indian Rupees, at any particular rate.

Definitions

For definitions, please refer the Chapter titled “*Definitions and Abbreviations*” on page no. 1 of this Prospectus. In the Section titled “*Main Provisions of the Articles of Association of Our Company*” beginning on page no. 283 of this Prospectus, defined terms have the meaning given to such terms in the Articles of Association.

Industry and Market Data

Unless stated otherwise, the industry and market data and forecasts used throughout this Prospectus has been obtained from industry sources as well as Government Publications. Industry sources as well as 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 and underlying assumptions are not guaranteed and their reliability cannot be assured.

Further, the extent to which the industry and market data presented in this Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

FORWARD-LOOKING STATEMENTS

This Prospectus contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “propose”, “project”, “will”, “will continue”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. These forward-looking statements, whether made by us or a third party, are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements.

Actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to and including, regulatory changes pertaining to the industries in India in which we operate 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 which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence 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 and changes in competition in the industries in which we operate.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see “Risk Factors”, “Our Business” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” beginning on Page Nos. 22, 104 and 194, respectively, of this Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Forward-looking statements reflect current views as on the date of this Prospectus 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. Neither our Company, our Directors, the Promoters, the Syndicate 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 the SEBI ICDR Regulations, our Company, the Promoters and the Book Running Lead Manager will ensure that the Bidders in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange for the Issue.

SECTION II - SUMMARY OF ISSUE DOCUMENT

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with and is qualified in its entirety by, the more detailed information appearing elsewhere in this Prospectus, including the sections entitled “Risk Factors”, “Industry Overview”, “Outstanding Litigation and Material Developments”, “Our Promoters and Promoter Group”, “Financial Information”, “Objects of the Issue”, “Our Business”, “Issue Procedure” and “Main Provisions of Articles of Association” beginning on Page Nos. 22, 88, 212, 162, 168, 72, 104, 253 and 283, respectively of this Prospectus.

1. Summary of Industry

The global lithium-ion battery market, valued at USD 54.4 billion in 2023, is expected to grow at a 20.3% CAGR through 2030, driven by rising EV registrations.

For further details, please refer to the chapter titled “Industry Overview” beginning on Page No. 88 of this Prospectus.

2. Summary of Business

Our company manufactures custom lithium-ion batteries, motors, and powertrain components for EVs, including controllers and converters. We offer B2B solutions for mobility and stationary applications under the



For further details, please refer to chapter titled “Our Business” beginning on Page No. 104 of this Prospectus.

3. Promoters

The Promoters of our Company are CLN Energy Pte. Ltd. and Rajiv Seth. For further details, please refer to the chapter titled “Our Promoters and Promoter Group” beginning on Page No. 162 of this Prospectus.

4. Details of the Issue

Our Company is proposing the public issue of upto 28,92,000 Equity Shares of face value of ₹ 10/- each for cash at a price of ₹ 250/- per Equity Share including a share premium of ₹ 240/- per Equity Share aggregating to ₹ 7,230.00 lakhs, of which 1,56,000 Equity Shares of face value of ₹ 10/- each for cash at a price of ₹ 250/- per Equity Share including a share premium of ₹ 240/- per Equity Share aggregating to ₹ 390.00 lakhs will be reserved for subscription by Market Maker to the Issue (the “**Market Maker Reservation Portion**”). The Issue less the Market Maker Reservation Portion i.e. Net issue of 27,36,000 Equity Shares of face value of ₹ 10/- each at a price of ₹ 250/- per Equity Share including a share premium of ₹ 240/- per Equity Share aggregating to ₹ 6,840.00 lakhs is herein after referred to as the “**Net Issue**”. The Issue and the Net Issue will constitute 27.40% and 25.93%, respectively, of the post issue paid up Equity Share capital of our Company. The face value of the Equity Shares is ₹ 10/- each.

The price band will be decided by our company in consultation with the Book Running Lead Manager (“**BRLM**”) and will be advertised in Business Standard editions of Uttar Pradesh (a widely circulated English national daily newspaper), Business Standard editions of Uttar Pradesh (a widely circulated Hindi national daily newspaper) and Hindi editions of Business Standard (a Hindi language newspaper with wide circulation, Hindi being the regional language of Uttar Pradesh, where our Registered Office is located), each with wide circulation, at least 2 (two) working days prior to the bid/ issue opening date with the relevant financial ratios calculated at the Floor Price and the Cap Price and shall be made available to the SME Platform of BSE Limited (“**BSE SME**”, referred to as the “**Stock Exchange**”) for the purpose of uploading on their website for further details kindly refer to chapter titled “Terms of the issue” beginning on page 241 of this Prospectus.

5. Objects of the Issue

The Net Proceeds of the Issue (“Net Proceeds”) are currently expected to be deployed in accordance with the schedule as stated below:

(₹ in lakhs)

Sr. No.	Particulars	Amount to be funded from the Net Proceeds	Amount to be deployed from the Net Proceeds in FY 2024-25
1.	Purchase of machinery and equipment	971	971
2.	Funding Working capital requirements	4,022	4,022
3.	General Corporate Purpose	1,784	1,784
Total		6,777	6,777

For further details, please see chapter titled “Objects of the Issue” beginning on Page No. 72 of this Prospectus.

6. Aggregate Pre Issue Shareholding of Promoters and Promoter Group

Following are the details of the pre-Issue shareholding of Promoters:

Sr. No.	Name of the Shareholders	Pre-Issue		Post - Issue	
		Number of Equity Shares	% of Pre-Issue Equity Share Capital	Number of Equity Shares	% of Post-Issue Equity Share Capital
Promoters					
1.	CLN Energy Pte. Ltd.	76,61,238	99.99	76,61,238	72.54
	Total	76,61,238	99.99	76,61,238	72.54

As on date of this Prospectus, Rajiv Seth and other members of our Promoter Group do not hold any shareholdings in our Company.

For further details, please refer to the chapter titled “Capital Structure” beginning on Page No. 62 of this Prospectus.

7. Summary of Financial Information

Following are the details as per the Restated Financial Statements as at and for the period ended September 30, 2024 and for the Financial Years ended on March 31, 2024, March 31, 2023 and March 31, 2022:

<i>(₹ in lakhs, except share data)</i>					
S. No.	Particulars	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
1.	Share Capital	766.13	340.50	113.50	113.50
2.	Net Worth	1,800.99	1,337.34	358.49	285.62
3.	Revenue from operations	7,482.78	13,270.87	12,881.94	12,168.96
4.	Profit after Tax	463.65	978.85	72.87	364.13
5.	Earnings per Share	6.05	12.78	0.95	4.82
6.	Net Asset Value per equity share based on actual number of shares	23.51	39.28	31.59	25.16
7.	Total Borrowings	678.45	-	-	-

For further details, please refer to the section titled “Financial Information” beginning on Page No. 168 of this Prospectus.

8. Auditor qualifications which have not been given effect to in the Restated Financial Information

The Restated Financial Information do not contain any qualifications.

9. Summary of Outstanding Litigation

A summary of the pending tax proceedings and other material litigations involving our Company, our Promoters, our Directors and our Group Companies is provided below:

Name of Entity	Criminal Proceeding	Tax Proceeding	Statutory or Regulatory Proceeding	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigation / Other Litigations	Aggregate amount involved (Rs in lakhs) to the extent quantifiable
Company						
By the Company	5	-	-	-	2	691.95
Against the Company	-	4	-	-	-	217.40
Directors						
By our Directors	-	-	-	-	-	-
Against the Directors	-	2	-	-	-	1.26
Promoters						
By Promoters	-	-	-	-	-	-
Against Promoters	1	-	-	-	-	50.00
Group Companies						
By Group Companies	-	-	-	-	-	-
Against Group Companies	-	-	-	-	-	-

For further details, please refer to the chapter titled “*Outstanding Litigations and Material Developments*” beginning on Page No. 212 of this Prospectus.

10. Risk Factors

The following is a summary of the top ten risk factors in relation to our Company or the Equity Shares, or the industry in which we operate:

1. Our Company, Group Companies, Promoters and Directors are parties to certain legal proceedings. Any adverse decision in such proceedings may have a material adverse effect on our business, results of operations and financial condition.
2. We require certain approvals and licenses in the ordinary course of business and are required to comply with certain rules and regulations to operate our business, and the failure to obtain, retain and renew such approvals and licenses or comply with such rules and regulations, and the failure to obtain or retain them in a timely manner or at all may adversely affect our operations.
3. We derive a significant portion of our revenue from the sale of batteries, cells and motors and controller and any reduction in demand or in the manufacturing of such products could have an adverse effect on our business, results of operations and financial condition.
4. We have not entered into any agreement with the suppliers of machinery and equipment as specified in the objects of the Issue. Further the amount allocated for purchases of machinery and equipment are based on the quotation received from suppliers.
5. We are dependent on a few suppliers for supply of raw materials and any major disruption to the timely and adequate supplies of our raw materials could adversely affect our business, results of operations and financial condition.
6. Our business of manufacturing and supply of lithium-ion batteries, motors and powertrain components, and services required by electric vehicle industry, solar industry, telecom industry etc is significantly dependent on the

technology, process and product development of our products.

7. Trade Receivables, Inventories and other current assets form a substantial part of our current assets and net worth. Failure to manage our trade receivables and inventories could have an adverse effect on our net sales, profitability, cash flow and liquidity.
8. Majority of revenue contribution comes from the Delhi, Maharashtra, Uttar Pradesh and Haryana which contributed 77.49%, 75.69% and 79.93% of our revenue from operations in Fiscal 2024, 2023 and 2022, respectively.
9. Our company is significantly dependent on few customers for our revenue in a particular financial year. The loss of any one or more of such customers may have a material effect on our business operations and profitability.
10. Our manufacturing facilities and Registered Office are not owned by us and we have only leasehold rights. In the event we lose or are unable to renew such leasehold rights, our business, results of operations, financial condition and cash flows may be adversely affected.

Specific attention of Investors is invited to the section titled “Risk Factors” beginning on Page No. 22 of this Prospectus. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue.

11. Summary of Contingent Liabilities

There are no material contingent liabilities as of September 30, 2024 and March 31, 2024.

12. Summary of Related Party Transactions

As per the Restated Financial Information as at and for the period ended September 30, 2024 and for the Financial Years ended on March 31, 2024, March 31, 2023 and March 31, 2022, following are the details of the related party transactions of our Company:

(Rs. in Lakhs)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Transactions during the years				
Key Managerial personnel				
Mr. Jeevan Chand				
Managerial Remuneration	-	16.08	18.55	14.34
Advanced given during the year	-	-	-	5.00
Advanced repaid during the year	-	-	3.80	1.20
Mr. Sunil Gandhi				
Managerial Remuneration	30.00	55.00	59.46	26.51
Mr. Manish Shah*				
Managerial Remuneration	24.16	45.00	30.00	13.55
Mr. Ashish Kumar*				
Salary	10.50	15.68	11.20	-
Ms. Sonal Jhanwar				
Salary	0.65	-	-	-
Total Managerial Remuneration/Salary	65.30	131.76	119.22	54.40
Total Employee Benefit Expenses	565.60	1,289.13	916.42	401.92
Managerial remuneration/Salary as a % of Total Employee Benefit Expenses	11.55%	10.22%	13.01%	13.53%
Total advances given	-	-	-	5.00
Total advances received	-	-	3.80	1.20

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Net advances		-	3.80	3.80
Total Short-term Loans and Advances	-	938.59	701.70	324.0
Net advances as a % of Total Short-term Loans and Advances	-	-	0.54%	1.17%
Balances during the year end-				
Managerial Remuneration				
Mr. Jeevan Chand	-	-	-	1.10
Mr. Sunil Gandhi	43.26	32.14	3.50	1.59
Mr. Manish Shah	-	8.10	-	-
Sub-total	43.26	40.24	3.50	2.69
Advances Payable				
Mr. Jeevan Chand	-	-	-	3.80
Sub-total	-	-	-	3.80
Total balance outstanding	43.26	40.24	3.50	6.49

*Manish Shah has been receiving salary till October 08, 2023 as an employee. From October 09, 2023, he was appointed as Director in the Company.

*Ashish Kumar has been receiving salary till June 17, 2024 as an employee. From June 18, 2024, he was appointed as CFO in the Company.

For further details, kindly refer “Restated Financial Information –Related Party Disclosures under AS 18” from the chapter titled “Restated Financial Information” on Page No. 168 of this Prospectus.

13. Financing Arrangements

There are no financing arrangements whereby the Promoters, members of the 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 months immediately preceding the date of this Prospectus.

14. Weighted Average Price of the Equity Shares acquired by our Promoters in the last one year preceding the date of this Prospectus

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

Name of Promoter	No. of shares acquired in last one year from the date of this Prospectus [^]	Weighted Average Price (in ₹)#
CLN Energy Pte. Ltd.	42,56,244	Nil*

[^]For arriving weighted average price at which the Equity Shares of the Company were acquired by the Promoters only acquisition of Equity Shares has been considered.

As certified by M/s. DGMS & Co., Chartered Accountants, by way of their certificate dated December 06, 2024.

*Represent cost of Bonus Shares issued at Nil consideration

As on date of this Prospectus, Rajiv Seth does not hold any shares in our Company.

Weighted average cost of all Equity Shares transacted in the three years, eighteen months and one year preceding the date of this Prospectus:

Particulars	Weighted Average Cost of Acquisition (in ₹)	Range of acquisition price: Lowest Price - Highest Price (in ₹)	Cap Price (₹ 250) is ‘x’ times the Weighted Average Cost of Acquisition
Last one year preceding the date of this Prospectus	Nil*	Nil*	NA
Last eighteen months preceding the date	Nil*	Nil*	NA

Particulars	Weighted Average Cost of Acquisition (in ₹)	Range of acquisition price: Lowest Price - Highest Price (in ₹)	Cap Price (₹ 250) is 'x' times the Weighted Average Cost of Acquisition
of this Prospectus			
Last three year preceding the date of this Prospectus	₹ 1.33	Lowest Price - Nil* Highest Price - ₹ 1.48**	188.16 times

*Represent cost of Bonus Shares issued at Nil consideration

** Adjusted for corporate actions i.e 2 bonus issue done during the relevant period.

15. Average Cost of Acquisition of Equity Shares for Promoters

The average cost of acquisition of Equity Shares for the Promoters is as follows:

Name of Promoter	No. of shares held	Average Cost of Acquisition (in ₹)#
CLN Energy Pte. Ltd.	7,661,238	3.95

As certified by M/s. DGMS & Co., Chartered Accountants, by way of their certificate dated December 06, 2024.

As on the date of this Prospectus, there are no Shareholders holding any special rights in our Company, including the right to nominate Director(s) on our Board.

As on date of this Prospectus, Rajiv Seth does not hold any shareholding in our Company.

16. Pre-IPO Placement

Our Company has not undertaken any Pre-IPO placement.

17. Issue of equity shares made in last one year for consideration other than cash

Except as set out below we have not issued equity shares for consideration other than cash:

Date of allotment	Number of equity shares allotted	Face Value	Issue Price	Nature of allotment	Benefit accrued to our Company	Source out of which bonus shares issued
June 07, 2024	42,56,250	10	N.A.	Bonus Issue in the ratio of 125:100	Nil	Bonus issued out of free reserves.

Bonus issue of 42,56,250 Equity Shares in the ratio of 125:100 Ms. CLN Energy Pte. Ltd. (42,56,244 shares); Jeevan Chand (1 share); Sunil Gandhi (1 share); Manish Shah (1 share); Mainak Bhanja (1 share); Sunjiv Kumar Bhardwaj (1share); and Sanni Kumar (1 share).

18. Split or consolidation of Equity Shares in the last one year

There has not been a split or consolidation of Equity Shares in the last one year.

19. Exemption from complying with any provisions of securities laws, if any, granted by SEBI

Our Company has not applied or received any exemptions from SEBI from complying with any provisions of securities laws.

SECTION III- RISK FACTORS

An investment in Equity Shares involves a high degree of financial risk. You should carefully consider all information in this Prospectus, including the risks described below, before making an investment in our Equity Shares. 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. Any of the following risks, as well as the other risks and uncertainties discussed in this 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 Prospectus also contains forward-looking statements that involve risks and uncertainties. We have described the risks and uncertainties that our management believes are material, but these risks and uncertainties may not be the only ones we face. Additional risks and uncertainties, including those we are not aware of or deem immaterial, may also result in decreased revenues, increased expenses or other events that could result in a decline in the value of our Equity Shares. In making an investment decision, prospective investors must rely on their own examination of our Company and the Offer, including the merits and risks involved. 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. Investors are advised to read the risk factors carefully before taking an investment decision in this Offer. Investors should not invest in this Offer unless they are prepared to accept the risk of losing all or part of their investment, and they should consult their tax, financial and legal advisors about the particular consequences to you of an investment in the Equity Shares.

To obtain a better understanding of our business, you should read this section in conjunction with other chapters of this Prospectus, including the chapters titled “Our Business”, Management’s Discussion and Analysis of Financial Condition and Results of Operations”, “Industry Overview” and “Financial Information” on page no’s 104, 194, 88 and 168 respectively of this Prospectus, together with all other financial information contained in this 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 Prospectus Unless otherwise stated, the financial data in this chapter is derived from our Restated Financial Statements for the period ended September 30, 2024 and for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 as included in “Financial Information” on page no. 168 of this Prospectus.

INTERNAL RISK FACTORS

1. **Our Company, Group Companies, Promoters and Directors are parties to certain legal proceedings. Any adverse decision in such proceedings may have a material adverse effect on our business, results of operations and financial condition.**

Name of Entity	Criminal Proceeding	Tax Proceeding	Statutory or Regulatory Proceeding	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigation / Other Litigations	Aggregate amount involved (Rs in lakhs) to the extent quantifiable
Company						
By the Company	5	-	-	-	2	691.95
Against the Company	-	4	-	-	-	217.40
Directors						
By our Directors	-	-	-	-	-	-
Against the Directors	-	2	-	-	-	1.26
Promoters						
By Promoters	-	-	-	-	-	-
Against	1	-	-	-	-	50.00

Name of Entity	Criminal Proceeding	Tax Proceeding	Statutory or Regulatory Proceeding	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigation / Other Litigations	Aggregate amount involved (Rs in lakhs) to the extent quantifiable
Promoters						
Group Companies						
By Group Companies	-	-		-	-	-
Against Group Companies	-	-	-	-	-	-
Total						746.12
*For further details of the outstanding litigation proceedings, see “Outstanding Litigations and Material Developments” beginning on page 212 of this Prospectus.						

There can be no assurance that these litigations will be decided in favour of our Company, Directors and Promoter and consequently it may divert the attention of our management and Promoter and waste our corporate resources and our Company and Promoter may incur significant expenses in such proceedings. If such claims are determined against our Company and Promoter, there could be a material adverse effect on our reputation, business, financial condition and results of operations, which could adversely affect the trading price of our Equity Shares. For the details of the cases filed by and against our Company, Group Companies our Promoters and Directors, please refer to the chapter titled “Outstanding Litigations and Material Developments” on page no 212 of this Prospectus.

- We derive a significant portion of our revenue from the sale of batteries, cells and motor and controller and any reduction in demand or in the manufacturing of such products could have an adverse effect on our business, results of operations and financial condition.*

Our total revenue from sale of goods were Rs. 6,022.02 lakhs, Rs. 10,966.72 lakhs, Rs. 11,151.41 lakhs and Rs. 12,129.05 lakhs for the period ended September 30, 2024 and FY 2023-24, FY 2022-23 and FY 2021-22 respectively. We derive a significant portion of our revenue from batteries, cells and motor business. The product wise break up of our sale of goods is entailed below:

(Rs in lakhs)

Particulars	For Period ended Sept 30, 2024		FY 23-24		FY 22-23		FY 21-22	
	Amount	%	Amount	%	Amount	%	Amount	%
Batteries	4,958.27	82.34%	9,886.78	90.15%	5,398.17	48.41%	2,752.17	22.69%
Cell	165.58	2.75%	796.12	7.26%	5,580.73	50.05%	9,098.20	75.01%
Motor and Controller	642.73	10.67%	123.43	1.13%	6.08	0.05%	14.07	0.12%
Total	5,766.58	95.76%	10,806.33	98.54%	10,984.98	98.51%	11,864.44	97.82%

Our failure to effectively react to demand and supply situations or to successfully introduce new products or services in the markets could adversely affect our business, prospects, results of operations, financial condition, and cash flows. Any factor which affects the demand for our products would lead us to change our manufacturing as well as marketing strategies and set ups and could entail additional cost outlay and losses. Further, any materially adverse social, political or economic development, natural calamities, civil disruptions, regulatory developments or changes in the policies of the government could adversely affect our manufacturing and distribution activities, further resulting in modification of our business strategy, or require us to incur significant capital expenditure, which will in turn have a material adverse effect on our business, financial condition, results of operations, and cash flows. The occurrence of, or our inability to effectively respond to, any unfavorable events or effectively manage the competition in the region, could have an adverse effect on our business, results of operations, financial condition, cash flows and future business prospects.

- We have not entered into any agreement with the suppliers of machinery and equipment as specified in the objects of the Issue. Further the amount allocated for purchases of machinery and equipment are based on the quotation received from suppliers.*

One of the Objects of issue is to deploy funds of ₹ 970.80 lakhs (1.16 million US dollars) in purchases of capital equipment and plant and machinery. This will lead to higher capacity in our production and with better technology we will be able to fulfil growing demands. We have received quotation of the equipment from one vendor with the limited time period validity. We are yet to place orders for our plant & machinery required for our proposed expansion, as specified in the section titled “Objects of the Issue” on page 72 of this Prospectus. We may pass the time validity and might have to incur additional cost and delay in occupying the asset. We may also be subject to risks on account of inflation in the price of machinery and other equipment that we require and exchange rates of dollar in which we need to pay. Hence, our installation could face time and cost over-run which could have an adverse effect on our operations.

The amount proposed to be allocated for purchases of machinery and equipment is based on the quotation received from supplier and has not been appraised by any independent agency and may be subject to various factors beyond our control.

Management may change the estimate as per new order, or arrival of new technology in the market or change in demand or supply of any machine and other such reasons. We cannot assure that all the machines will be purchased as per the schedule give in the Objects. Any delay in entering such agreements may delay the implementation schedule, which may also lead to increase in prices and availability of these equipment in future affecting our costs, revenue and profitability.

4. We have reported negative net cash flows in the past and may do so in the future.

The following table sets forth net cash inflow/(outflow) from operating, investing and financing activities for the period ended September 30, 2024 Fiscals 2024, 2023 and 2022:

Particulars	<i>(Rs. in lakhs)</i>			
	For the period ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Net cash flow from operating activities	(860.22)	677.13	1,502.48	792.85
Net cash flow from Investing activities	(15.87)	(473.58)	(1,426.16)	(928.28)
Net cash flow from financing activities	659.44	-	-	202.50
Net Cash Inflow/Outflow	(216.65)	203.55	76.32	67.08

We have negative cash flows from operating and investing activities for the period ended September 30, 2024 and negative cash flow from investing activities during the three financial year 2023-24, 2022-23 and 2021-22, since the Company has invested in plant and machinery, capital work in progress, intangible assets during this period.

We cannot assure you that our net cash flows will be positive in the future. If our Company is not able to generate sufficient cash flows, our Company may not be able to generate sufficient amounts of cash flow to finance our projects, make new capital expenditure, pay dividends, make new investments or fund other liquidity needs which could have a material adverse effect on our business and results of operations.

5. We are dependent on a few suppliers for supply of raw materials and any major disruption to the timely and adequate supplies of our raw materials could adversely affect our business, results of operations and financial condition.

Our Company is dependent on a few suppliers for procuring the raw materials for manufacturing of its products. For the period ended September 30, 2024 and financial year ended March 31, 2024, March 31, 2023 and March 31, 2022, our top ten suppliers accounted for approximately 84.08%, 78.92%, 88.09% and 96.56% of our total purchases.

(Rs. in lakhs)

Particulars	For the period ended September 30, 2024		FY23-24		FY22-23		FY21-22	
	Amount	% of purchases	Amount	% of purchases	Amount	% of purchases	Amount	% of purchases
Purchases from Top 1 Supplier	2,763.83	44.10%	1,605.91	18.05%	4,227.70	40.76%	8,380.28	66.19%
Purchases from Top 3 Supplier	4,249.90	67.82%	3,489.72	39.23%	8,028.64	77.40%	11,872.31	93.77%
Purchases from Top 5 Supplier	4,857.01	77.50%	4,850.17	54.52%	8,753.48	84.39%	12,029.62	95.01%
Purchases from Top 10 Supplier	5,268.89	84.08%	7,020.49	78.92%	9,136.70	88.09%	12,225.84	96.56%

We believe that the quality of raw materials, the transparent pricing, location advantage, etc. are also some of the major reasons our Company prefers to procure these raw materials from these suppliers. Further, we have entered into agreement with few suppliers which are subject to renewal each year. Few supplier on whom our Company is dependent are from China. Any failure of the supplier to deliver the raw materials in the necessary quantities or to adhere to delivery schedules or specified quality standards and technical specifications would adversely affect our business operations and our ability to deliver orders on time and at the desired level of quality. As a result, we may lose customers and incur liabilities for failure to execute orders, which could have a material adverse effect on our business financial condition and results of operations.

6. Our business of manufacturing and supply of lithium-ion batteries, motors and powertrain components, and services required by electric vehicle industry, commercial and industrial application, solar industry, telecom industry etc is significantly dependent on the technology, process and product development of our products.

Our manufacturing facility is built in a way to cater the requirements of the electric vehicle industry, Commercial and Industrial application, Material and equipment handling Industry, Solar Industry, Golf cart manufacturing companies and Telecommunication Industry for power generation and storage purpose. For manufacturing the specific battery, we specialize in technology, process knowhow and product development through our Research & Development activities in-house. To manufacture this product, we have set up Research & Development team and our KMP's has experienced and technical knowledge in this industry over the years transfer us its technology, process, knowhow and product development. With a focus on innovative and evolving markets, we seek to continuously innovate and provide solution for the application of our product and service offerings. In the field of our product, the design, prototype are critical and customized in nature, we continually work on developing innovative and cost competitive designs to maintain a technological edge across our product and services. Our R&D team provides solutions for new stationary applications and mobility applications which are moving towards green revolution and less carbon emissions.

Without the technology, process knowhow and product development through our Research & Development activities, we may not be able to manufacture the product we specialize in and it may affect our reputation and future business operations. Considering the nature of our business activities, our Company shall consistently make all efforts to develop new product prototype and expand our business operations. Thus, in case of failure to meet the specific requirements of for our product our business operations may have adverse effect. For further details refer "Our Business" page no 104.

7. Our Company has in the past experienced a major fire at our Manufacturing Facility cum Registered Office which resulted in major losses for our Company. Hence our past performance may not be comparable with our future performance.

On June 1, 2022, a major fire broke out at the company's factory i.e registered office situated at Plot No.18, Sector 140, Phase-II, Nezz Post Office, Gautam Buddha Nagar, Dadri, 201305, Uttar Pradesh, India resulting in loss of assets. Except for some amount of inventory, fixed assets and tooling, all other assets were lost in the fire. The insurance claim was filed with the insurance company and subsequently a surveyor was appointed to assess the losses incurred and the insurance claim was accepted by them on December 18, 2023. The damage in the accident is ₹2,457.32 lakhs which includes carrying value of inventories of ₹2,388.16 lakhs (including expenses) and carrying value of property, plant and equipment of ₹69.16 lakhs. Our Company has covered inventories & assets by a fire policy and we have filed insurance claim amounting to ₹ 1,820.72 lakhs for the loss incurred. The insurance receivable amounting to ₹ 1,781.71 Lacs has been accepted and we have received from the insurance company amount of ₹ 1,780.28 lakhs on August 27, 2024.

However, the insurance policy covered plant and machinery and loss of stock, but did not cover loss of business due to disturbance in operations nor reduced scale of operations. Hence the losses of ₹ 669.61 lakhs reported by the Company during the fiscal years 2022-23 as well as trends in our financials cannot be used as a comparison for our future operations or results. Although we have taken sufficient precautions, insurances and measures to ensure that such an event does not occur in the future we cannot guarantee that such an event will not happen in the future and that we would not be affected in a similar manner as earlier.

8. Our company is significantly dependent on few customers for our revenue in a particular financial year. The loss of any one or more of such customers may have a material effect on our business operations and profitability.

The percentage of revenue derived from our top one, top five and top ten customers for period ended September 30, 2024 and financial year 2023-24, 2022-23, 2021-22 are given below:

(Rs. in lakhs)

Sr.no	Particulars	For the period ended September 30, 2024		FY23-24		FY22-23		FY21-22	
		Amount	% of Revenue from Operation	Amount	% of Revenue from Operation	Amount	% of Revenue from Operation	Amount	% of Revenue from Operation
1	Income from top 1 Customer	1,640.14	21.97%	4,521.07	34.15%	1,645.38	12.80%	808.65	6.65%
2	Income from top 5 Customer	4,298.62	57.57%	8,271.01	62.48%	5,064.68	39.39%	3,310.54	27.29%
3	Income from top 10 Customer	5,334.51	71.45%	9,737.82	73.56%	6,786.22	52.78%	5,336.71	43.91%

Our top customers may vary from period to period depending on the demand and thus the composition and revenue generated from these customers might change as we continue to add new customers in normal course of business. Since our business is dependent among few significant customers, we could experience a reduction in our results of operations, cash flows and liquidity if we lose one or more of these customers or the amount of business we obtain from them is reduced for any reason.

Further, in the event of loss of one or more set of such customers on whom we are dependent for our business, we cannot assure you that we may be able to offset such loss of business by identifying a new customer of our products. Further, we also cannot assure you that the customers which contribute to the major part of our revenue stream will pay us the amounts due to us on time, or at all. In the event any of our significant customers fail to fulfil their respective obligations, our business, financial condition and results of operations would be adversely affected. While we believe we have maintained good and long-term relationships with our customers, there can be no assurance that we will continue to have such long-term relationship with them. We cannot assure that we shall generate the same quantum of business, or any business at all, from these customers, and loss of business from one or more of them may adversely affect our revenues and profitability

9. Trade Receivables, Inventories and other current assets form a substantial part of our Total Assets. Failure to manage our trade receivables and inventories could have an adverse effect on our net sales, profitability, cash flow and liquidity.

Our business is working capital intensive and hence, Trade Receivables, Inventories and other current assets form substantial part of our total assets and details of same are as below:

(Rs. in Lakhs)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Trade Receivables	3,214.03	2,477.82	2,520.70	762.18
Inventories	4,792.48	3,548.56	3,192.72	3,710.76
Other current assets	254.29	1,856.49	1,859.84	39.07
Total (A)	8,260.80	7,882.87	7,573.26	4,512.01
% of (A) /Total assets	69.00%	69.59%	68.45%	72.72%

The results of operations of our business are dependent on our ability to effectively manage our inventory, other current assets and trade receivables. We generally procure materials on the basis of management estimates based on past requirements and future estimates. In case we fail to sell the products, we manufactured based on the specific requirement of our customers, we may be required to write-down our inventory or create additional vendor financing, all of which could have an adverse impact on our income and cash flows. To effectively manage our trade receivables, we must be able to accurately evaluate the credit worthiness of our customers and ensure that suitable terms and conditions are given to them in order to ensure our continued relationship with them. We run a risk to accurately evaluate the credit worthiness of our customers as, it may lead to bad debts, delays in recoveries and / or write-offs which could lead to a liquidity crunch, thereby adversely affecting our business and results of operations. A liquidity crunch may also result in increased working capital borrowings and, consequently, higher finance cost which will adversely impact our profitability.

10. In addition to normal remuneration our Key Management Personnel (including our promoters) are interested in our Company to the extent of their shareholding and dividend entitlement in our Company. Further we have entered in related party transaction with them.

Some of our Directors, Key Management Personnel and Promoters are interested in our Company to the extent of their shareholding and dividend entitlement in our Company, in addition to normal remuneration or benefits and reimbursement of expenses. Our Promoter currently holds 99.99% of shareholding of our Company and will hold 72.60% of post issue shareholding of our Company. We cannot assure you that our directors or our Key Management Personnel would always exercise their rights as Shareholders to the benefit and best interest of our Company. As a result, our promoters 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, and our other shareholders may be unable to affect the outcome of such voting. Our directors may take or block actions with respect to our business, which may conflict with our best interests or the interests of other minority Shareholders, such as actions with respect to future capital raising or acquisitions. We cannot assure you that our directors will always act to resolve any conflicts of interest in our favor, thereby adversely affecting our business and results of operations and prospects.

We have entered into related party transactions which are at an arm's length basis from time to time with our Key Managerial Personnel. A summary statement of the related party transactions is as follows:

(Rs. in Lakhs)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Transactions during the years				
Key Managerial personnel				
Mr. Jeevan Chand				
Managerial Remuneration	-	16.08	18.55	14.34
Advanced given during the year	-	-	-	5.00
Advanced repaid during the year	-	-	3.80	1.20
Mr. Sunil Gandhi				
Managerial Remuneration	30.00	55.00	59.46	26.51
Mr. Manish Shah*				
Managerial Remuneration	24.16	45.00	30.00	13.55
Mr. Ashish Kumar*				
Salary	10.50	15.68	11.20	-
Ms. Sonal Jhanwar				
Salary	0.65	-	-	-
Total Managerial Remuneration/Salary	65.30	131.76	119.22	54.40
Total Employee Benefit Expenses	565.60	1,289.13	916.42	401.92
Managerial remuneration/Salary as a % of Total Employee Benefit Expenses	11.55%	10.22%	13.01%	13.53%

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Total advances given	-	-	-	5.00
Total advances received	-	-	3.80	1.20
Net advances		-	3.80	3.80
Total Short-term Loans and Advances	-	938.59	701.70	324.0
Net advances as a % of Total Short-term Loans and Advances	-	-	0.54%	1.17%
Balances during the year end-				
Managerial Remuneration				
Mr. Jeevan Chand	-	-	-	1.10
Mr. Sunil Gandhi	43.26	32.14	3.50	1.59
Mr. Manish Shah	-	8.10	-	-
Sub-total	43.26	40.24	3.50	2.69
Advances Payable				
Mr. Jeevan Chand	-	-	-	3.80
Sub-total	-	-	-	3.80
Total balance outstanding	43.26	40.24	3.50	6.49

Manish Shah has been receiving salary till October 08, 2023 as an employee. From October 09, 2023, he was appointed as Director in the Company.

Ashish Kumar has been receiving salary till June 17, 2024 as an employee. From June 18, 2024, he was appointed as CFO in the Company.

11. We have applied for few trademarks which are pending registration. A delay in, or failure to obtain, registration may result in our inability to adequately defend intellectual property rights.

Any infringement of our logo or failure to protect our trademarks may adversely affect our business. Any kind of negative publicity or misuse of our brand name and our logo could hamper our brand building efforts and our future growth strategy could be adversely affected. Our ability to protect our intellectual properties, namely our trademark / logo is restricted until we receive registered trademark from the appropriate authority. Few applications are still pending with the Trade Marks Registry, Mumbai. Further, the same may involve costly litigations and penal provisions if the case may be. We believe that our future growth and competitiveness would depend on our ability to establish and strengthen our brand.

Although, we believe that that our present systems are adequate to protect our confidential information and intellectual property, there can be no assurance that our intellectual property data, trade secrets or proprietary technology will not be copied, infringed or obtained by third parties. Further, our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. This may lead to litigations and any such litigations could be time consuming and costly and their outcome cannot be guaranteed. Our Company may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property, which may adversely affect our business, financial condition and results of operations. For further details pertaining to our intellectual property, please refer to the chapter titled “Our Business” beginning on page no. 97 of this Prospectus.

12. Majority of revenue contribution comes from the Delhi, Maharashtra, Uttar Pradesh and Haryana which contributed 79.57%, 77.49%, 75.69% and 79.93% of our revenue from products in for the period ended September 30, 2024 and Fiscal 2024, 2023 and 2022, respectively.

Our operations are susceptible to local and regional factors, such as accidents, political factors, economic and weather conditions, natural disasters, and demographic and population changes, the outbreak of infectious diseases and other unforeseen events and circumstances. The table below sets forth our revenues generated from these states/ union territory, export revenue and service income and as a percentage of our revenue from operations for the Fiscals indicated:

(Rs in lakhs)

Particulars	For the period ended September 30, 2024		FY23-24		FY22-23		FY21-22	
	Amount	%	Amount	%	Amount	%	Amount	%
Delhi	1,355.48	22.51%	3,505.67	31.97%	2,072.53	18.59%	2,988.47	24.64%
Maharashtra	789.12	13.10%	2,764.09	25.20%	1,544.05	13.85%	1,052.47	8.68%
Uttar Pradesh	2,447.19	40.64%	1,827.42	16.66%	2,697.05	24.19%	2,826.79	23.31%
Haryana	199.67	3.32%	401.34	3.66%	2,125.73	19.06%	2,825.53	23.30%
West Bengal	461.38	7.66%	371.52	3.39%	99.06	0.89%	160.75	1.33%
Punjab	96.41	1.60%	214.23	1.95%	144.42	1.30%	186.15	1.53%
Bihar	24.46	0.41%	193.01	1.76%	17.84	0.16%	8.80	0.07%
Gujarat	27.62	0.46%	180.26	1.64%	738.18	6.62%	427.37	3.52%
Karnataka	29.77	0.49%	167.23	1.52%	236.81	2.12%	332.24	2.74%
Rajasthan	124.43	2.07%	156.50	1.43%	624.49	5.60%	385.83	3.18%
Rest of India (Scattered)	466.06	7.74%	234.35	2.14%	629.02	5.64%	934.65	7.71%
Total Domestic Sale	6,021.59	99.99%	10,015.62	91.33%	10,929.18	98.01%	12,129.05	100.00%
Export	0.43	0.01%	951.10	8.67%	222.23	1.99%	-	-
Total Revenue from sale of Product	6,022.02	100.00%	10,966.71	100%	11,151.41	100%	12,129.05	100%
Service Income	1,444.39		2,270.37		1,706.49		24.05	
Total revenue from operation (excl operating income)	7,466.41		13,237.08		12,857.90		12,153.10	

Further, we have not entered into any agreement with our customers for long term sales. Our Company has also generated export income in the recent periods but we cannot assure that we will be able to generate income through this channel in the future. Any change in governmental policies or occurrence of natural disasters in any of this states/ union territory may impact our impact on our business, results of operations and cash flows.

13. *Our manufacturing facilities and Registered Office are not owned by us and we have only leasehold rights. In the event we lose or are unable to renew such leasehold rights, our business, results of operations, financial condition and cash flows may be adversely affected.*

Presently, our company has two manufacturing facilities one located at Noida, Uttar Pradesh and other at Pune, Maharashtra. Our registered Office and manufacturing facility, located at Plot-18, Sector-140, Phase-2, Nepz Post Office, Gautam Buddha Nagar, Uttar Pradesh, India- 201305 is taken on lease for a period of nine years valid up to October 19, 2030. Our Pune manufacturing facility, located at GAT NO.375/1 AND 376, Koregaon Bhima, Taluka Shirur, Pune, Maharashtra- 41221 is taken on lease for a period of 5 years valid up to January 31, 2027. We cannot assure you that we will be able to renew our leases on commercially acceptable terms or at all. In the event that we are required to vacate our current premises, we would be required to make alternative arrangements for our infrastructure and we cannot assure that the new arrangements will be on commercially acceptable terms. If we are required to relocate our business operations, we may suffer a disruption in our operations or have to pay increased charges, which could have an adverse effect on our business, results of operations, financial condition and cash flows.

14. *We require certain approvals and licenses in the ordinary course of business and are required to comply with certain rules and regulations to operate our business, and the failure to obtain, retain and renew such approvals and licenses or comply with such rules and regulations, and the failure to obtain or retain them in a timely manner or at all may adversely affect our operations.*

Our Company requires certain statutory and regulatory permits, licenses and approvals to operate our business, some of which our Company has either received, applied for or is in the process of application. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Non-renewal of the said permits and licenses would adversely affect our Company's operations, thereby having a material adverse effect on our business, results of operations and financial condition.

Further, there can be no assurance that the relevant authorities will issue any of such permits or approvals in the time-frame anticipated by us or at all. Furthermore, our regulatory permits and approvals are subject to numerous conditions, some of which are onerous and require us to make substantial expenditure and we cannot provide any assurance that we

will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to the cancellation, revocation or suspension of the relevant permits, licenses or approvals. Any failure by us to apply in time, to renew, maintain or obtain the required permits, licenses or approvals, or the cancellation, suspension or revocation of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on our business. If we fail to comply with all the regulations applicable to us or if the regulations governing our business or their manner of implementation change, we may incur increased costs, or be subject to penalties or may suffer a disruption in our business activities, any of which, could adversely affect our business or results of operations. For further details, please see “Key Industry Regulations and Policies” and “Government and Other Statutory Approvals” beginning on page nos. 133 and 219 respectively of this Prospectus.

15. Our Key Managerial Personnel play key role in our functioning and we heavily rely on their knowledge and experience in operating our business and therefore, it is critical for our business that they remain associated with us.

Our success also depends upon the continued services of our Key Managerial Personnel and our ability to retain them. Our performance depends largely on the efforts and abilities of our senior management and other key personnel. The inputs and experience of our senior management and key managerial personnel are valuable for the development of business and operations and the strategic decisions taken by our Company. We cannot assure you that we will be able to retain these employees 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. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting employees that our business requires. The loss of their services could impair our ability to implement our strategy, and our business, financial condition, results of operations and prospects may be materially and adversely affected.

Further, our Key Managerial Personnel have also promoted other companies and may continue to do so. If they divert their attention to the other companies, we may not be able to function as efficiently and profitably as before. We may have to incur additional costs to replace the services of our promoters or we may not be able to do so at all, which could adversely affect our business operations and affect our ability to continue to manage and expand our business. Any inability to attract and retain talented employees or the resignation or loss of key management personnel, may have an adverse impact on our business, future financial performance and the price of our Equity Shares.

Furthermore, our ability to successfully carry out research and development depends on our ability to attract and retain skilled persons. The personnel at the helm of our R&D functions are critical for new product launches and creating differentiated offering for our businesses. Currently, we have an experienced technical and production team, we may not be able to continuously attract or retain such personnel, or retain them on acceptable terms, given the demand for such personnel. Competition for qualified personnel with relevant industry expertise in India is intense and the loss of the services of our key personnel may adversely affect our business, results of operations and financial condition.

16. Our warranty provisions may be insufficient to cover future warranty claims, which could adversely affect our financial condition and results of operations.

We offer warranty to our customers on purchase batteries for e-vehicles with two, three and four- wheeler, and traction application as well as stationary applications such as solar, ESS, and telecommunications, for motors and also on power train components. Our warranty programs are intended to cover all parts and labour costs to repair defects in material and workmanship. For more details on our warranties, see “Our Business –Warranty” on page 104. The following table shows the warranty provision outstanding for the period/year ended as indicated:

(Rs in lakhs)

Particulars	For the period ended September 30, 2024	F.Y 2023-24	F.Y 2022-23	F.Y 2021-22
Provision for Warranty	103.80	82.68	36.75	12.34

We are subject to warranty claims under warranty agreements. Although we have provision for warranties, we may receive warranty claims that are more than our provisions and incur significant expenses. Our Company has received warranty claims during the period ended September 30, 2024 and we may receive such claims in future also. In addition, if there is an increase in our sales volumes in line with our business strategy, we could experience an increase in the number of warranty claims and be required to increase our warranty provisions. These factors in turn could affect our financial condition, results of operations and prospects.

17. *Our failure to keep our technical knowledge confidential could erode our competitive advantage. We possess certain technical knowledge about our products.*

Our Key Managerial Personnel possess technical knowledge and has over the time given us access to their knowledge, process, design, research and development results. This has been resulted from continuous effort and experience of our key managerial personnel in this industry. Goodwill of our company in the manufacturing of lithium-ion batteries over the years has been rewarded with such technical knowledge that we possess which gives us a competitive edge. Some of our technical knowledge is protected only by secrecy. As a result, we cannot be certain that our technical knowledge will remain confidential in the long run. Even if all reasonable precautions, whether contractual or otherwise, are taken to protect our confidential technical knowledge of our products and business, there is still a danger that certain proprietary knowledge may be leaked, either inadvertently or willfully, at various stages of the production process.

A significant number of our employees have access to confidential design and product information and there can be no assurance that this information will remain confidential. Moreover, certain of our employees may leave us and join our various competitors. Although we may seek to enforce confidentiality clause in respect of research and development and certain other key employees, we cannot guarantee that we will be able to successfully enforce them. In the event that the confidential technical information in respect of our products or business becomes available to third parties or to the general public, any competitive advantage that we may have over other companies in this sector could be harmed. If a competitor is able to reproduce or otherwise capitalize on our knowledge, it may be difficult, expensive or impossible for us to obtain necessary legal protection. Consequently, any leakage of confidential technical information could have an adverse effect on our business, results of operations, financial condition and future prospects.

18. *Our Company is dependent on the continuing operation of our manufacturing facilities.*

Any significant interruption in manufacturing at our facilities could have a material adverse effect on our business, results of operations and financial condition. Our Company has two manufacturing facility, one at Pune where the lithium-ion batteries for two-wheeler is manufactured and other at Noida where other than batteries for two-wheeler all of our manufacturing and business takes place, which are subject to the normal risks of industrial production, including equipment breakdowns, labor shortages, natural disasters, industrial accidents, power interruptions etc. In case of any disruption at such facilities, it may adversely affect the manufacturing cycle, and may lead to time over-run in the execution of the project and timely delivery of our product. Our manufacturing facilities require a significant amount and continuous supply of electricity and any shortage or non-availability of electricity may adversely affect our operations.

19. *Association of our promoter and director with a previously Struck-off Company may adversely impact our Company in the event of future litigation or penalties.*

Our Company's Promoter and Director, Mr. Rajiv Seth, was previously associated with Cosmique Poly Products Pvt. Ltd. (CPPPL), which was struck off by the Registrar of Companies (RoC) before 2006. However, the exact date of the strike-off and the reasons for it are not available on the Ministry of Corporate Affairs (MCA) portal. Due to technical issues on the MCA portal, CPPPL still appears in Mr. Rajiv Seth's directorship record. A certificate issued by Practicing Company Secretary Himanshu Gupta on July 31, 2024, confirms that Mr. Seth's Director Identification Number (DIN) status is active and there are no pending litigations or actions against him related to CPPPL. However, in the event that any future litigation or penalties arise related to CPPPL, Mr. Rajiv Seth may be held liable, which could have an adverse impact on our Company's business and financial performance.

20. *We have offered Equity Shares during the last one year at a price below the Offer Price.*

Our Company had issued Bonus shares of 42,56,250 equity shares on June 07, 2024 in ratio of 125:100 in the last 12 months at price which is lower than the Offer Price. The Equity Shares allotted to shareholders pursuant to this Offer may be priced significantly higher due to various reasons including better performance by the Company, better economic conditions and passage of time. For further details, see "Capital Structure" on page 62 of this Prospectus.

21. *The market for energy sector products such as lithium-ion batteries and motors and powertrain components are growing and getting competitive.*

We are facing competition in the lithium-ion batteries from various domestic and multinational companies in India. We expect competition could increase with new entrants coming into the energy industry, who may have more flexibility in responding to changing business and economic conditions, and existing players consolidating their positions. Further, expansion of our brand in new markets will require substantial advertising and promotional expenditures and some of our competitors may have access to significantly greater resources, including the ability to spend more on

advertising and marketing and hence the ability to compete more effectively. Competitors may, whether through consolidation or growth, present more credible integrated or lower cost solutions than we do, which may have a negative effect on our business. We cannot assure you, that we can continue to compete effectively with our competitors. Our failure to compete effectively, including any delay in responding to changes in the industry and market, together with increased spending on advertising by competitors, may affect the competitiveness of our products, which may affect our business, results of operations, financial condition and cash flows.

22. *Our Promoters will continue to hold a significant equity stake in our Company after the Offer and their interests may differ from those of the other shareholders.*

As on the date of this Prospectus, our Corporate Promoter, CLN Energy Pte Ltd, holds approximately 99.99% of the pre-issue paid-up equity share capital and will hold 72.60% of post issue shareholding of our Company. For further information on their shareholding pre and post-Offer, see “Capital Structure” on page 62. After the completion of the Offer, our Corporate Promoter will continue to collectively hold majority of the shareholding in our Company and will continue to exercise significant influence over our business policies and affairs and all matters requiring Shareholders’ approval, including the composition of our Board, the adoption of amendments to our constitutional documents, the approval of mergers, strategic acquisitions or joint ventures or the sales of substantially all of our assets, and the policies for dividends, lending, investments and capital expenditure or any other matter requiring special resolution. This concentration of ownership also may delay, defer or even prevent a change in control of our Company and may make some transactions more difficult or impossible without the support of these stockholders. The interests of the Promoters as our controlling shareholders could conflict with our interests or the interests of our other shareholders. We cannot assure you that the Promoters will act to resolve any conflicts of interest in our favor and any such conflict may adversely affect our ability to execute our business strategy or to operate our business. For further information in relation to the interests of our Promoters in our Company, please see “Our Management” and “Our Promoters and Promoter Group” on pages 147 and 162 respectively.

23. *Our Company has availed unsecured loans which are repayable on demand.*

As of September 30, 2024, our Company had availed unsecured loans amounting to ₹ 200.00 lakhs, comprising 29.48% of the total borrowings of our Company. This amount of Rs.200.00 lakhs is obtained for a specific project from Trex, one of our suppliers. The same at an interest rate of 12% p.a and is repayable on demand. Any sudden recall may disrupt our operations and also may force us to opt for funding at higher interest rates, resulting in higher financial burden. Further, if we are unable to raise funds at short notice, it may result in shortage of working capital fund. For further details, please refer to the section “Unsecured Loans” under “Financial Statements” beginning on page no 129 of this Prospectus. Any demand for the repayment of such unsecured loan, may adversely affect our cash flow and financial condition.

24. *Industrial accidents at our manufacturing facility may adversely affect our operation.*

Our manufacturing facility are subject to operating risk resulting in fatal accidents which can cause injury to the labour and employees of the company and this could also cause damage to the property and plant and machinery situated at the factory which could have an adverse effect on our operations. Our Company has suffered damage due to fire accident at the manufacturing facility at Noida during the year 2022-23. Our Company has taken various safety measures for fire accidents. We have installed hydrant at our facility, fire and smoke alarms and has deployed special fire suppression systems for lithium-ion batteries. Our Company schedules fire and safety training for our employees and also conducts mock testing of same from time to time to ensure we are well prepared for any unfortunate events. Our company also has gets fire and safety audit from third party . Though, we have taken adequate safety measures in order to avoid such mishaps, but in case of any such happening of the event out of our control, we cannot assure you whether it will be sufficient or not. Further occurrence of such accidents could impact our production schedules, costs, revenue and ability to meet customer demand.

25. *Failure in supply of electricity or power can lead to significant disruption in manufacturing process and can affect our operations.*

We consume substantial power and fuel at our manufacturing facilities. Electricity expenses represent a significant portion of the direct cost associated with cost of material consumed. For the period ended September 30, 2024 and financial year 2023-24, 2022-23 and 2021-22, electricity cost was Rs. 50.15 lakhs, Rs. 92.72 lakhs, Rs. 79.68 lakhs, and Rs. 43.69 lakhs constituting 0.67%, 0.70%, 0.62% and 0.36% respectively, of our total revenue from operations. If electricity cost rises or supply arrangements were disrupted, our profitability could decline. We source most of our electricity requirements for our manufacturing facility at Noida from the Pashchimanchal Vidyut Vitran Nigam Limited and at Pune from Maharashtra State Electricity Distribution Co. Ltd. The cost of electricity from state electricity boards

could be significantly higher, thereby adversely affecting our cost of production and profitability. Further, if for any reason such electricity is not available, we may need to temporarily shut down our plants until an adequate supply of electricity is restored which will lead to the loss of production in progress and may affect our results of operations

26. We face foreign exchange risks in both import and export but primarily in our import and procurement operations that could adversely affect our results of operations.

We are exposed to foreign currency exchange risk as we have imported our raw materials from foreign countries, in particular China and also generate service income from foreign parties. We deal with supplier and customer in foreign currency and are affected with its fluctuation. We have also generated export income from sale of services and goods which also exposes us to foreign currency risk. We have even recorded foreign fluctuation gain and losses in our financial statement.

Detail of import purchases and domestic purchase are as below:

(Rs.in lakhs)

Particulars	As at September 30, 2024	% of total purchase	As at March 31, 2024	% of total purchase	As at March 31, 2023	% of total purchase	As at March 31, 2022	% of total purchase
Import Purchases	1,187.18	18.07%	5,046.47	55.13%	10,363.57	94.55%	11,447.02	83.41%
Domestic purchase	5,381.05	81.93%	4,106.82	44.87%	597.59	5.45%	2,277.26	16.59%
Total purchase	6,568.23	100.00%	9,153.29	100.00%	10,961.16	100.00%	13,724.28	100.00%

Fluctuation in currency exchange rates influences our results of operations. As and when outflows/inflows are incurred/received, the required foreign exchange is bought from market or sold in market at the then prevailing exchange rate. In future we may continue to incur capital expenditures, including raw materials, equipment and machinery, denominated in foreign currencies. The exchange rates between Rupee and USD and between Rupee and EUR have changed substantially in recent years and may continue to fluctuate significantly in the future. Accordingly, any decline in the value of the Rupee against the U.S. Dollar and Euro or any other foreign currency would increase the Rupee cost of such raw materials.

Although we closely follow our exposure to foreign currencies in an attempt to reduce the risks of currency fluctuations, these activities are not always sufficient to protect us against incurring potential losses if currencies fluctuate significantly. Any such losses on account of foreign exchange fluctuations may affect our results of operations.

27. Under-utilization of our manufacturing capacities and an inability to effectively utilize our expanded manufacturing capacities could have an adverse effect on our business, future prospects and future financial performance.

The current manufacturing facilities, located in Noida (42,000 sq ft) and Pune (21,000 sq. ft), have a combined capacity for producing two-wheeler batteries, encompassing cell grading, cell sorting, manufacturing, and battery testing. The total capacity for two-wheeler batteries stands at 168 MWH per annum for cell grading, 358 MWH per annum for cell sorting, 130 MWH per annum for manufacturing, and 72 MWH per annum for battery testing. Additionally, our facilities have a capacity for producing other types of batteries, with 41 MWH per annum for cell grading, 110 MWH per annum for cell sorting, 115 MWH per annum for manufacturing, and 41 MWH per annum for battery testing. The production of batteries depends on all four capacities, and our product must pass through all four processes/machines. Therefore, a lower installed capacity in any one process will lead to lower production. So, there is under utilisation of capacity in some process. In case, we would not be able to achieve full capacity utilization of our current manufacturing facilities, resulting in operational inefficiencies which could have a material adverse effect on our business and financial condition.

28. The deployment of the Net Proceeds from the Fresh Issue are based on management estimates and have not been independently appraised by any bank or financial institution and is not subject to any monitoring by any independent agency and our Company's management will have flexibility in utilizing the Net Proceeds from the Fresh Issue.

The deployment of the funds towards the objects of the Issue is entirely at the discretion of the Board and our Board will monitor the utilization of Net Proceeds. Also, in terms of Regulation 262 of the SEBI (ICDR) Regulations, we are not required to appoint a monitoring agency since the Fresh Issue size is not in excess of ₹ 100 crores. The management

of our Company will have discretion to use the Net Proceeds from the Issue, and investors will be relying on the judgment of our Company's management regarding the application of the Net Proceeds from the Issue.

Given the dynamic nature of our business, we may have to revise our business plan from time to time and consequently our funding requirements and deployment on account of variety of factors such as our financial condition, business and strategy, including external factors such as market conditions, competitive environment, costs of commodities and interest/ exchange rate fluctuations which may not be within the control of our management. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our operational and financial performance.

Further, pursuant to Section 27 of the Companies Act 2013, any variation in the objects would require a special resolution of the Shareholders and would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to change the Objects of the Issue, at a price and manner as specified in the SEBI ICDR Regulations. Additionally, the requirement on Promoters or controlling shareholders to provide an exit opportunity to such dissenting shareholders may deter the Promoters or controlling shareholders from agreeing to the variation of the proposed utilization of our Net Proceeds, even if such variation is in our interest. Further, we cannot assure you that our Promoters or the controlling shareholders will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price which may be prescribed by SEBI. Accordingly, prospective investors in the Issue will need to rely upon our management's judgment with respect to the use of Net Proceeds.

29. *Our insurance coverage may not be sufficient or may not adequately protect us against any or all hazards, which may adversely affect our business, results of operations and financial condition.*

Our business and assets could suffer damage from fire, natural calamities and the goods transported to our customers by our supplier could suffer from damage, misappropriation or other causes, resulting in losses, which may not be covered / fully compensated by insurance. Our Company has suffered damage due to fire accident at the manufacturing facility at Noida during the year 2022-23. The damage in the accident is ₹ 2,457.32 lacs which includes carrying value of inventories of ₹ 2,388.16 lacs (including expenses) and carrying value of property, plant and equipment of ₹ 69.16 lacs. Our Company has adequately covered assets by a fire policy and we have filed insurance claim amounting to ₹ 1820.72 Lacs for the loss incurred. The insurance receivable amounting to ₹ 1,781.71 has been accepted and received from the insurance company.

Further, a legal proceedings or other actions may be initiated against us or any of our employees for acts and conduct of our employees which may occur due to various reasons including misconduct with customers. In the event of personal injuries, damage or other accidents suffered by our employees or our customers or other people, we could face claims alleging that we were negligent, provided inadequate supervision or be otherwise liable for the injuries. Our principal types of insurance coverage include Plant and Machinery, Building and Stock Insurance. While we believe that the insurance coverage which we maintain would be reasonably adequate to cover the normal risks associated with the operation of our businesses, we cannot assure you that any claim under the insurance policies maintained by us will be honored fully, in part or on time, or that we have taken out sufficient insurance to cover all our losses. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all. To the extent that we suffer loss or damage, or successful assertion of one or more large claims against us for events for which we are not insured, or for which we did not obtain or maintain insurance, or which is not covered by insurance which exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, financial performance and cash flows could be adversely affected. For further details on our insurance arrangements, see "Insurance – Our Business" on page no 104 of this Prospectus.

30. *Our Company, Promoters and Directors are parties to certain legal proceedings. Any adverse decision in such proceedings may have a material adverse effect on our business, results of operations and financial condition.*

There can be no assurance that there will be no future litigations and those will be decided in favour of our Promoter or Director and consequently it may divert the attention of our management and Promoter and waste our corporate resources and our Director and Promoter may incur significant expenses in such proceedings. If such claims are determined against our Director and Promoter, there could be a material adverse effect on our reputation, business, financial condition and results of operations, which could adversely affect the trading price of our Equity Shares. For the details of the cases filed by and against our Company, our Promoters and Directors, please refer to the chapter titled "Outstanding Litigations and Material Developments" on Page No. 212 of this Prospectus.

31. *Any disruption to the steady and regular supply of workforce for our operations, including due to strikes, work stoppages or increased wage demands by our workforce or any other kind of disputes with our workforce or our*

inability to control the composition and cost of our workforce could adversely affect our business, cash flows and results of operations.

Our activities are labour intensive, require our management to undertake significant labour interface, and expose us to the risk of industrial action. As on September 30, 2024, we had 155 permanent employees. We may be subject to industrial unrest, slowdowns, and increased wage costs, which may adversely affect our business, financial conditions, cash flows and results of operations. While we consider our relationship with our employees to be good and there has been no such instance in the three Fiscals of any disruptions in work due to disputes or other problems with our work force, we could experience disruptions in work due to disputes or other problems with our work force in future, which may adversely affect our ability to perform our business operations.

As of September 30, 2024, we have 286 off-roll employees. Although we do not engage these laborers directly, it is possible under Indian law that we may be held responsible for wage payments to laborers engaged by contractors should the contractors default on wage payments. Any requirement to fund such payments may adversely affect our business, financial conditions, cash flows and results of operations. Furthermore, pursuant to the provisions of the Contract Labour (Regulation and Abolition) Act, 1970, we may be directed to absorb some of these contract laborers as our employees. Any such order from a court or any other regulatory authority may adversely affect our business, cash flows and results of operations.

Further, work stoppages due to strikes or other events could result in slowdowns or closures of our operations which could have an adverse effect on our business, cash flows and results of operations. While our labours are not unionized and there has been no instance in the last three Fiscals where we experienced work stoppages due to strikes or labour unrest that resulted in closure of our operations, there is no assurance that we may not experience any such events in the future.

32. Our company faces potential risks due to the emergence of new technologies, such as hydrogen-based batteries, which could replace lithium-ion batteries.

Currently, we are equipped with the technology and manufacturing facilities for lithium-ion batteries. However, with the rise of new battery technologies, we may struggle to keep pace, which could result in a decline in demand for lithium-ion batteries. This shift may expose our company to challenges, including market disruption, decreased demand, heightened competition, and the need for diversification. Although, our Research & Development team, along with our experienced Key Managerial Personnel (KMP), possesses extensive technical knowledge in this industry, we cannot guarantee our ability to develop and adopt new technologies. Given the evolving nature of our business, we are committed to continually developing new product prototypes and expanding our operations. However, failure to adapt to emerging technologies or meet customer demands could have a negative impact on our business operations, cash flow, and overall growth.

33. Our cost of production is exposed to fluctuations in the prices of raw materials required for the manufacture as well as its availability.

Our company is exposed to fluctuations in the prices of various raw materials like cells, BMS, connector as well as its availability and all the above-mentioned raw materials are bought by our Company from suppliers on an order to order basis. The prices of the various raw materials used in our manufacturing process are subject to fluctuations in the prices due to changes in core prices of minerals as a natural resource etc. Also, we procure some of the raw materials from international markets and the prices of these raw materials may fluctuate based on exchange rate, customs & duties levied on imports or changes in government policies with respect to these materials or the countries supplying the same. We may be unable to make adequate provisions for the price fluctuations and, consequently, any adverse fluctuations that we have not factored in or provided for may adversely affect the consolidated results of our operations and our consolidated financial conditions. We also face the risks associated with compensating for or passing on such increase in our cost of production on account of such fluctuations in prices to our customers. These factors could adversely affect our business, results of operations, financial condition and cash flows.

34. We are dependent on third party transportation providers for the delivery of our products to our customers.

We rely substantially on third party transportation providers for the supply of our products to our customers. Transportation strikes / non-availability of Transportation could have an adverse effect on our ability to deliver the same to our customers. Increase in transportation costs or unavailability of transportation services for our products, as well the extent and reliability of Indian infrastructure may have an adverse effect on our business, financial condition, results of operations and prospects. In addition, transportation costs in India have been steadily increasing over the past several years. While usually the end consumer bears the freight cost, we may not always be able to pass on these costs

to our customers. In addition, India's physical infrastructure is less developed than that of many developed nations, and problems with its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our normal business activity, including delivery of our products to customers by third-party transportation providers. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our business operations, which could have a material adverse effect on our results of operations and financial condition.

35. *If we are unable to manage our growth effectively or raise additional capital, our business, future financial performance and results of operations could be materially and adversely affected.*

The success of our business will depend greatly on our ability to effectively implement our business and growth strategy. As part of our growth strategy, we aim to, among other things. For details, see "Our Business – Our Business Strategy" on page 104. This could place significant demands on our operational, credit, financial and other internal risk controls. In pursuing our growth strategy, we will require additional capital investments and cash outlays, which may have a material impact on our cash flows and results of operations

Our ability to manage our growth effectively requires us to forecast accurately our sales, growth and manufacturing capacity and to expand funds to improve our operational, financial and management controls, reporting systems and procedures. Moreover, even if we secure the required funding, there is no assurance that we will be able to successfully implement our strategies. We may also face difficulties in effectively implementing new technologies required in designing, developing and manufacturing new products and solutions and may not be able to recover our investments. An inability to implement our future business plan, manage our growth effectively or failure to secure the required funding on favorable terms or at all could have a material and adverse effect on our business, future financial performance and results of operations.

36. *Our Company may not be able to bring growth or successfully implement our business plan which could have an effect on our business, results of operations and financial condition.*

The success of our business will depend greatly on our ability to effectively implement our business and growth strategy. Our growth strategy involves focusing on Optimal Utilization of Resources and to develop relationships with customer and suppliers. For further details, see the section titled "Our Business – Our Strategies" on page no. 104 of this Prospectus. Our success in implementing our growth strategies may be affected by:

- Our ability to identify new markets to expand;
- Our ability to maintain the quality of our products;
- Changes in the Indian regulatory environment field;

If our Company is not able to execute our strategy on time and within our estimated budget, any of these factors could impact our results of operations. Further, we expect our growth strategy to place significant demands on our management, financial and other resources and require us to continue developing and improving our operational, financial and other internal controls. Our inability to manage our business and implement our growth strategy could have an effect on our business, financial condition and profitability.

37. *Employee misconduct, errors or fraud could expose us to business risks or losses that could adversely affect our business prospects, results of operations and financial condition.*

Employee misconduct, errors or frauds could expose us to business risks or losses, including regulatory sanctions, penalties and serious harm to our reputation. Such employee misconduct includes breach in security requirements, misappropriation of funds, hiding unauthorized activities, failure to observe our operational standards and processes, and improper use of confidential information. It is not always possible to detect or deter such misconduct, and the precautions we take to prevent and detect such misconduct may not be effective. In addition, losses caused on account of employee misconduct or misappropriation of petty cash expenses and advances may not be recoverable, which we may result in write-off of such amounts and thereby adversely affecting our results of operations. Our employees may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions in which case, our reputation, business prospects, results of operations and financial condition could be adversely affected.

38. *We may also be unable to obtain future financing to fund our operations, expected capital expenditure and working capital requirements on favorable terms, or at all.*

Our business requires funding for capital expenditure and working capital requirements which are currently met by internal accruals, loan from bank and unsecured borrowings. The actual amount and timing of future capital expenditure

may depend on several factors, among others, new opportunities, availability of land, regulatory approvals, regulatory changes, economic conditions, technological changes and market developments in our industry. Our sources of additional funding in future, if required, to meet our capital expenditure may include the incurrence of debt or the issue of equity or debt securities or a combination of both. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, and could have a significant effect on our profitability and cash flows and we may be subject to additional covenants, which could limit our ability to access cash flows from operations.

In case there is insufficient cash flow to meet our working capital requirement or we are unable to arrange the same from other sources or there is delay in disbursement of arranged funds, or there is any increase in interest rate on our borrowings, it may adversely affect our operations and profitability. These factors may result in an increased amount of short-term borrowings. Continuous increase of our working capital requirements may have an adverse effect on our results of operations and financial condition. Further our ability to arrange for additional funds on acceptable terms is subject to a variety of uncertainties, including future results of operations, financial condition and cash flows; economic, political conditions and market scenario for our products; costs of financing, liquidity and overall condition of financial and capital markets in India; issuance of necessary business/government licenses, approvals and other risks associated with our businesses; and limitations on our ability to raise capital in capital markets and conditions of the Indian and other capital markets in which we may seek to raise funds. Any such inability to raise sufficient funds could have a material adverse effect on our business and results of operations.

39. *Any delay or defaults in receipt of payments or dues from our customers could result in a reduction of our profits.*

We regularly commit resources prior to receiving payments from our customer. We may be subject to working capital shortages due to delays or defaults in receipt of payments or dues from such customers. If our customers default in their payments or if any order/ assignment in which we have invested significant resources is delayed, cancelled or curtailed, it could have a material adverse effect on our business, financial condition and results of operations.

40. *Any future issuance of Equity Shares may dilute your shareholding and sale of Equity Shares by the Promoter may adversely affect the trading price of the Equity Shares.*

We may be required to finance our growth, whether organic or inorganic, through future equity offerings. Any future equity issuances by us, including a primary offering or through exercise of employee stock options, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us (including under an employee stock option scheme) or disposal of our Equity Shares by the Promoters or any of our other principal shareholders or any other change in our shareholding structure to comply with minimum public shareholding norms applicable to listed companies in India or any public perception regarding such issuance or sales 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. There can be no assurance that we will not issue further Equity Shares or that our existing shareholders including our Promoters will not dispose of further Equity Shares after the completion of the Offer (subject to compliance with the lock-in provisions under the SEBI ICDR Regulations) or pledge or encumber their Equity Shares. Any future issuances could also dilute the value of shareholder's investment in the Equity Shares and adversely affect the trading price of our Equity Shares. Such securities may also be issued at prices below the Offer Price. We may also issue convertible debt securities to finance our future growth or fund our business activities. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares.

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

Our Company has not paid any dividend in the past and may not pay in future. Our future ability to pay dividends will depend on the earnings, financial condition and capital requirements of our Company. Dividends distributed by us will attract dividend distribution tax at rates applicable from time to time. We cannot assure you that we will generate sufficient income to cover our operating expenses and pay dividends to our shareholders, or at all. Our business is working capital intensive and we may plan to invest additional working capital expenditures to effect purchase of inventory or pay creditors. Our ability to pay dividends could also be restricted under certain financing arrangements that we may enter into. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements for the products proposed to be purchased, financial condition and results of operations.

42. *There is no guarantee that the Equity Shares issued pursuant to the Issue will be listed on the SME Platform of BSE in a timely manner, or at all.*

In accordance with Indian law and practice, permission for listing and trading of the Equity Shares issued pursuant to the Issue will not be granted until after the Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the SME Platform of BSE. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

- 43. Pursuant to listing of the Equity Shares, we may be subject to pre-emptive surveillance measures like Additional Surveillance Measure (“ASM”) and Graded Surveillance Measures (“GSM”) by the Stock Exchange in order to enhance market integrity and safeguard the interest of investors.**

SEBI and the Stock Exchanges, in the past, have introduced various pre-emptive surveillance measures with respect to the shares of listed companies in India (the “Listed Securities”) in order to enhance market integrity, safeguard the interests of investors and potential market abuses. In addition to various surveillance measures already implemented, and in order to further safeguard the interest of investors, the SEBI and the Stock Exchanges have introduced additional surveillance measures (“ASM”) and graded surveillance measures (“GSM”).

ASM is conducted by the Stock Exchanges on Listed Securities with surveillance concerns based on certain objective parameters such as share price, price-to-earnings ratio, percentage of delivery, client concentration, variation in volume of shares and volatility of shares, among other things. GSM is conducted by the Stock Exchanges on Listed Securities where their price quoted on the Stock Exchanges is not commensurate with, among other things, the financial performance and financial condition measures such as earnings, book value, fixed assets, net-worth, other measures such as price-to-earnings multiple and market capitalization and overall financial position of the concerned listed company, the Listed Securities of which are subject to GSM.

Upon listing, the trading of our Equity Shares would be subject to differing market conditions as well as other factors which may result in high volatility in price, low trading volumes, and a large concentration of client accounts as a percentage of combined trading volume of our Equity Shares. The occurrence of any of the abovementioned factors or other circumstances may trigger any of the parameters prescribed by SEBI and the Stock Exchange for placing our securities under the GSM and/or ASM framework or any other surveillance measures, which could result in significant restrictions on trading of our Equity Shares being imposed by SEBI and the Stock Exchange. These restrictions may include requiring higher margin requirements, requirement of settlement on a trade for trade basis without netting off, limiting trading frequency, reduction of applicable price band, requirement of settlement on gross basis or freezing of price on upper side of trading, as well as mentioning of our Equity Shares on the surveillance dashboards of the Stock Exchange. The imposition of these restrictions and curbs on trading may have an adverse effect on market price, trading and liquidity of our Equity Shares and on the reputation and conditions of our Company. Any such instance may result in a loss of our reputation and diversion of our management’s attention and may also decrease the market price of our Equity Shares which could cause you to lose some or all of your investment.

- 44. Non-compliance with and changes in, safety, health and environmental laws and other applicable regulations, might adversely affect Our Company’s results of operations and its financial condition.**

We are subject to Indian laws and government regulations, including laws in relation to safety, health and environmental protection. These safety, health and environmental protection laws and regulations inter alia impose controls on air and water discharge, noise levels, storage handling, employee exposure to hazardous substances and other aspects of our Company’s operations and products. In addition, our products, including the process of manufacture, storage and distribution of such products, are subject to numerous laws and regulations in relation to quality, safety and health.

For further details, please see “Key Industry Regulation and Policies” on page no. 133 of this Prospectus. Failure to comply with any existing or future regulations applicable to us might result in levy of fines, commencement of judicial proceedings and/or third party claims, and might adversely affect our results of operations and financials.

EXTERNAL RISK FACTORS

- 45. Restrictions on the import of our materials and other regulations could adversely affect our business, results of operations and financial condition.**

We design and manufacture lithium-ion batteries for mobility and stationary applications. Our major raw materials are imported, therefore limitation or withdrawal, if any (in the case, for example, of embargoes or geopolitical conflicts), of the authorization to import the products might have a negative impact on our operations and financial situation. Further,

failure to comply with the regulations and requirements could result in contract modifications or termination and the imposition of penalties, fines and withdrawal of authorizations, which could negatively affect our business, results of operations and financial condition. Authorizations can be revoked which may change in response to international conflicts or other political or geopolitical factors. Such factors could have a material adverse effect on our business and results of operations.

46. *The outbreak of COVID-19 or outbreak of any other severe communicable disease could have a potential impact on our business, financial condition and results of operations.*

An outbreak of a novel strain of corona virus (COVID-19) was recognized by the World Health Organization as a public health emergency of international concern on January 30, 2020, and as a pandemic on March 11, 2020. The outbreak of COVID-19 has significantly and adversely impacted and will likely continue to impact economic activity and has contributed to significant volatility in global financial markets and led to operational challenges. It is possible that the outbreak of COVID-19 will cause a prolonged global economic crisis, stagnation, recession or depression, despite monetary and fiscal interventions by governments and central banks globally. In particular, a number of governments and organizations have revised GDP growth forecasts for 2021 downwards in response to the economic slowdown caused by the spread of COVID-19, and it is possible that the COVID-19 pandemic will cause a prolonged global economic crisis or recession. In response to the COVID-19 outbreak, the governments of many countries, including India have taken preventive or protective actions, such as issuing advisories and imposing country or state wide lockdowns, including restrictions on travel and temporary closure of business operations and increased remote working protocols, which have significantly slowed down economic activity.

On March 14, 2020, India declared COVID-19 as a “notified disaster” and imposed a nationwide lockdown announced on March 24, 2020. While there have been progressive relaxations and calibrated easing of lockdown measures by the Government, we cannot predict if stricter lockdowns will not be re-introduced or extended in the future. On account of the government-imposed lockdown in India, operations at our manufacturing facility was temporarily shut down. The COVID-19 pandemic and resulting government actions may affect our business, results of operations and financial condition, in the future, in a number of ways such as requiring a complete or partial closure of our operations. The pandemic outbreak has caused an economic downturn on a global scale, including closures of many businesses and reduced consumer spending, as well as significant market disruption and volatility. The demand for our products is dependent on and directly affected by factors affecting industries where our products are supplied. We continue to closely monitor the impact that COVID-19 may have on our business and results of operations.

It is difficult for us to predict the impact that COVID-19 will have on us, our customers or suppliers in the future. Further, due to the rising number of infected cases of COVID-19 in the country, there is no certainty if additional restrictions will be put back in place or if another lockdown would be re-imposed to control the spread of the pandemic. We cannot assure you that we may not face any difficulty in our operations due to such restrictions and such prolonged instances of lockdown may adversely affect our business, financial condition and results of operations.

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

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, may adversely affect our business, results of operations, financial condition and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

48. *Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.*

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in commodities markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence, spending and tourism. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude, which may negatively affect our stock prices.

49. *If inflation were to rise in India, we might not be able to increase the prices of our services at a proportional rate thereby reducing our margins.*

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of wages and other expenses relevant to our business. Further, a rise in inflation in other countries, such as in the United States of America or United Kingdom, may lead to an increase in the interest rates in India and depreciation in the value of the Rupee which in turn make the components imported by our Company costlier. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our customers, whether entirely or in part, and may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or increase the price of our products to pass the increase in costs on to our customers. In such case, our business, results of operations, cash flows and financial condition may be adversely affected.

50. *System failures or inadequacy and security breaches in computer systems may adversely affect our business.*

Our business is increasingly dependent on our ability to process, on a daily basis, a large number of transactions. Our financial, accounting or other data processing systems may fail to operate adequately or become disabled as a result of events that are wholly or partially beyond our control, including a disruption of electrical or communication services. We may experience difficulties in upgrading, developing and expanding our systems quickly enough to accommodate our growing customer base and range of services our computer systems, software and networks may be vulnerable to unauthorized access, computer viruses or other malicious code and other events that could compromise data integrity and security. Any failure to effectively maintain or improve or upgrade our systems in a timely manner could materially and adversely affect our competitiveness, financial position and results of operations. Moreover, if any of these systems do not operate properly or are disabled or if there are other shortcomings or failures in our internal processes or systems, it could affect our operations or result in financial loss, disruption of our businesses, regulatory intervention or damage to our reputation. In addition, our ability to conduct business may be adversely impacted by a disruption in the infrastructure that supports our businesses and the localities in which we are located.

51. *Natural or man-made disasters could adversely affect our business.*

Natural disasters (such as cyclones, flooding, and/or earthquakes), epidemics, pandemics and man-made disasters, including acts of war, terrorist attacks, and other events, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn adversely affect our business, financial condition, and results of operations. Our operations may be adversely affected by natural disasters, and/or severe weather, which can result in damage to our property generally reduce our productivity and may require us to evacuate personnel and suspend operations. Any terrorist attacks or civil unrest as well as other adverse social, economic, and political events in India could have a negative effect on us. 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 price of the Equity Shares. A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1, and H1N1 strains of influenza in birds and swine and more recently, the SARS-CoV-2 virus and the monkeypox virus. Another outbreak of the COVID-19 pandemic or future outbreaks of SARS-CoV-2 virus or a similar contagious disease could adversely affect the global economy and economic activity in the region. As a result, any present or future outbreak of a contagious disease could have an adverse effect on our business and the trading price of the Equity Shares.

52. *With time we might be liable to other labor laws which were not applicable before leading to increase cost and time to be invested in its compliance.*

Employees form the integral part of the operation of our business. Any labor disputes or unrests could lead to lost production, increased costs or delays which could lead to penalties. We are subject to a number of stringent labor legislation that protects the interests of workers and defines our duties and obligations towards them in the capacity of principal employers, including legislations that sets forth detailed procedures for employee removal and dispute resolution and impose financial obligations on us. We are also subject to state and local laws and regulations. If labor laws become more stringent or are more strictly enforced, it may become difficult for us to maintain flexible human resource policies, discharge employees or downsize, any of which could have an adverse effect on our business, results of operations, financial condition and cash flows. Any organizational changes, including changes in salaries and wages and other employee benefits that are, or are perceived to be negative, could result in an increased attrition rate. We cannot assure you that there may not be incidences of labor unrest and absenteeism from work by some of our employees. Labour shortages could increase the cost of labor and hinder our productivity and ability to adhere to our delivery schedules for our projects, which would materially and adversely affect our business, financial condition, results of operations and prospects.

53. *Our Company is subject to risk arising from changes in interest rates and banking policies.*

Increased interest rates will have a bearing on profitability and credit controls will have an effect on our liquidity and will have serious effects on adequate working capital requirements. We are dependent on various banks for arranging of our working capital requirement etc. Accordingly, any change in the existing banking policies or increase in interest rates may have an adverse impact on profitability of our company.

54. *If inflation were to rise in India, we might not be able to increase the prices of our products and services at a proportional rate in order to pass costs on to our customers and our profits might decline.*

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of transportation, wages, raw materials and other expenses relevant to our business. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to pass on to our customers, whether entirely or in part, and may adversely affect our business, cash flows and financial condition. In particular, we might not be able to reduce our costs or increase the amount of commission to pass the increase in costs on to our customers. In such case, our business, results of operations, cash flows and financial condition may be adversely affected. Further, the Government of India has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

55. *We may, from time to time, look for opportunities to enter strategic alliances, acquire businesses or enter into joint venture arrangements. Any failure to manage the integration of the businesses or facilities post such acquisition or joint venture may cause our profitability to suffer.*

We may, from time to time, look for opportunities to acquire businesses or enter into strategic partnerships or alliances. Such acquisitions may not contribute to our profitability, and we may be required to incur or assume debt or additional expenses beyond our forecasts or assume contingent liabilities, as part of any acquisition. Further, the acquisitions may give rise to unforeseen contingent risks relating to these businesses that may only become apparent after the merger or the acquisition is finalized. We may also face difficulty in assimilating and retaining the personnel, operations and assets of the acquired company. Further, we may not be able to accurately identify or forge an alliance with appropriate companies in line with our growth strategy. In the event that the alliance does not perform as estimated, or the inability on the part of our joint venture partner to meet the customer requirements may lead to a failure of such an arrangement which may adversely affect our business.

56. *A decline in economic growth or political instability nationally or internationally or changes in the Government in India could adversely affect our business.*

Our performance and the growth of our business are necessarily dependent on the health and performance of the overall Indian economy. In the recent past, Indian economy has been affected by global economic uncertainties and liquidity crisis, domestic policy and political environment, volatility in interest rates, currency exchange rates, commodity and electricity prices, adverse conditions affecting agriculture, rising inflation rates and various other factors. Risk management initiatives by banks and lenders in such circumstances could affect the availability of funds in the future or the withdrawal of our existing credit facilities. The Indian economy is undergoing many changes and it is difficult to predict the impact of certain fundamental economic changes on our business. Conditions outside India, such as a slowdown or recession in the economic growth of other major countries, especially the United States, have an impact on the growth of the Indian economy. Additionally, an increase in trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could negatively affect interest rates and liquidity, which could adversely affect the Indian economy and our business. Any downturn in the macroeconomic environment in India could adversely affect our business, financial condition, results of operation and the trading price of our Equity Shares. Volatility, negativity, or uncertain economic conditions could undermine the business confidence and could have a significant impact on our results of operations. Changing demand patterns from economic volatility and uncertainty could have a significant negative impact on our results of operations.

Further, our performance and the market price and liquidity of the Equity Shares may be affected by changes in exchange rates and controls, interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India. The GoI has traditionally exercised and continues to exercise a significant influence over many aspects of the economy. Our business, the market price and liquidity of the Equity Shares may be

affected by changes in GoI policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India.

57. *Any disproportionate increase in labor costs including increase in wage/salary demand, labor unrest or labor claims arising from accidents may adversely affect our business operations and financial conditions.*

Our increasing business operations may require our employee strength to increase in future. In the past our Company has not experienced any labor unrest, but there is no assurance that it will not experience the same at any time in the future. Also, there is a possibility that the labour costs increase disproportionately due to increase in wage/salary demand. In this event, if our Company is unable to pass on the increased costs to our customers, our business operations and financial conditions may be adversely affected.

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

Our Company is engaged in the manufacturing business, which attracts tax liability such as Goods and Service tax and Income tax as per the applicable provisions of Law. We are also subject to the labour laws like depositing of contributions with Provident Fund, Employee State Insurance and Professional Tax. Any demand or penalty raised by the concerned authority in future for any previous year and current year will affect the financial position of the Company.

59. *Regional hostilities, terrorist attacks, communal disturbances, civil unrest and other acts of violence or war involving India and other countries may result in a loss of investor confidence and adversely affect the financial markets and our business.*

Terrorist attacks, civil unrest and other acts of violence or war may negatively affect the Indian markets on which our Equity Shares will trade and also adversely affect the worldwide financial markets. In addition, the Asian region has from time to time experienced instances of civil unrest and hostilities among neighboring countries. Hostilities and tensions may occur in the future and on a wider scale. Military activity or terrorist attacks in India may result in investor concern about stability in the region, which may adversely affect the price of our Equity Shares. Events of this nature in the future, as well as social and civil unrest within other countries in the world, could influence the Indian economy and could have an adverse effect on the market for securities of Indian companies, including our Equity Shares.

60. *There is no existing market for our Equity Shares, and we do not know if one will develop. Our stock price may be highly volatile after the Issue and, as a result, you could lose a significant portion or all of your investment.*

There is no guarantee that our Equity Shares will be listed on the Stock Exchange in a timely manner or at all and any trading closures at the Stock Exchange may adversely affect the trading price of our Equity Shares. Further, we cannot predict the extent to which investor interest will lead to the development of an active trading market on the Stock Exchange or how liquid that market will become. If an active market does not develop, you may experience difficulty selling the Equity Shares that you purchased. The Issue Price is not indicative of prices that will prevail in the open market following the Issue. Consequently, you may not be able to sell your Equity Shares at prices equal to or greater than the Issue Price. The market price of the Equity Shares on the Stock Exchange may fluctuate after listing as a result of several factors, including the following:

- Volatility in the Indian and other Global Securities Markets;
- The performance of the Indian and Global Economy;
- Risks relating to our business and industry, including those discussed in this Prospectus;
- Strategic actions by us or our competitors;
- Investor perception of the investment opportunity associated with our future performance;
- Adverse media reports about us, our shareholders or Group Companies;
- Future sales of the Equity Shares;
- Variations in our half-yearly results of operations;
- Differences between our actual financial and operating results and those expected by investors and analysts;
- Our future expansion plans;
- Perceptions about the performance of companies engaged in lithium-ion battery manufacturing sector generally;
- Perception in the market about investments in the lithium-ion battery manufacturing sector;
- Significant developments in the regulation of the trading and distribution industry in our key trade locations;
- Changes in the estimates of our performance or recommendations by financial analysts;
- Significant developments in India's economic liberalization and deregulation policies; and
- Significant developments in India's fiscal and environmental regulations.

There has been significant volatility in the Indian stock markets in the recent past, and our Equity Share. Price could fluctuate significantly as a result of market volatility. A decrease in the market price of the Equity Shares could cause you to lose some or all of your investment.

61. *Investors can be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares*

Under current Indian tax laws, capital gains arising from the sale of equity shares within 12 months in an Indian company are classified as short-term capital gains and generally taxable. Any gain realized on the sale of listed equity shares on a stock exchange that are held for more than 12 months is considered as long-term capital gains and is taxable at 10%, in excess of ₹ 1,00,000. Any long-term gain realized on the sale of equity shares, which are sold other than on a recognized stock exchange and on which no STT has been paid, is also subject to tax in India. Capital gains arising from the sale of equity shares are exempt from taxation in India where an exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. 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 to pay tax in India as well as in their own jurisdiction on a gain on the sale of equity shares.

62. *The ability of Indian companies to raise foreign capital may be constrained by Indian law.*

As an Indian Company, we are subject to exchange controls that regulate borrowing in foreign currencies, including those specified under FEMA. Such regulatory restrictions limit our financing sources for our projects under development and hence could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be granted to us without onerous conditions, or at all. Limitations on foreign debt may adversely affect our business growth, results of operations and financial condition.

63. *Any downgrading of India's debt rating by a domestic or international rating agency could adversely affect our Company's business.*

Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely affect our Company's ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could harm our Company's business and financial performance and ability to obtain financing for capital expenditures.

64. *Conditions in the Indian securities market and stock Exchange may affect the price and liquidity of our Equity Shares.*

Indian stock Exchange, which are smaller and more volatile than stock markets in developed economies, have in the past, experienced problems which have affected the prices and liquidity of listed securities of Indian companies. These problems include temporary exchange closures to manage extreme market volatility, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock Exchange have from time to time restricted securities from trading, limited price movements and restricted margin requirements. Further, disputes have occurred on occasion between listed companies and the Indian stock Exchange and other regulatory bodies that, in some cases, have had a negative effect on market sentiment. If similar problems occur in the future, the market price and liquidity of the Equity Shares could be adversely affected. Further, a closure of, or trading stoppage on, either of the Stock Exchange could adversely affect the trading price of our Equity Shares.

65. *Civil disturbances, extremities of weather, regional conflicts and other political instability may have adverse effects on our operations and financial performance.*

Certain events that are beyond our control such as earthquake, fire, floods and similar natural calamities may cause interruption in the business undertaken by us. Our operations and financial results and the market price and liquidity of our equity shares may be affected by changes in Indian Government policy or taxation or social, ethnic, political, economic or other adverse developments in or affecting India.

SECTION IV: INTRODUCTION

THE ISSUE

The present Issue of 28,92,000* Equity Shares in terms of Prospectus has been authorized pursuant to a resolution of our Board of Directors held on June 20, 2024 and by special resolution passed under Section 62(1)(c) of the Companies Act, 2013, at the Extraordinary General Meeting of the members held on June 22, 2024.

The following is the summary of the Issue:

PRESENT ISSUE	
Equity Shares Offered through Fresh Issue⁽¹⁾⁽²⁾	28,92,000* Equity Shares aggregating to ₹ 7,230.00 lakhs.
Out of which:	
Issue Reserved for the Market Maker	1,56,000 Equity Shares aggregating to ₹ 390.00 Lakhs.
Net Issue to the Public	27,36,000 Equity Shares aggregating to ₹ 6,840.00 Lakhs.
Out of which	
A. QIB Portion ^{(4) (5)}	Not more than 13,68,000 Equity Shares aggregating to ₹ 3,420.00 lakhs
Of which	
i. Anchor Investor Portion	8,20,800 Equity Shares aggregating to ₹ 2,052.00 lakhs
ii. Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	5,47,200 Equity Shares aggregating to ₹ 1,368.00 lakhs
Of which	
(a) Available for allocation to Mutual Funds only (5% of the QIB Portion)	27,360 Equity Shares aggregating to ₹ 68.40 lakhs
(b) Balance of QIB Portion for all QIBs including Mutual Funds	5,19,840 Equity Shares aggregating to ₹ 1,299.60 lakhs
B. Non-Institutional Portion	Not less than 4,10,400 Equity Shares aggregating to ₹ 1,026.00 lakhs
C. Retail Portion	Not less than 9,57,600 Equity Shares aggregating to ₹ 2,394.00 lakhs
Pre and Post – Issue Equity Shares	
Equity Shares outstanding prior to the Issue	76,61,250 Equity Shares of face value of ₹10 each
Equity Shares outstanding after the Issue	1,05,53,250 Equity Shares of face value ₹10 each
Use of Net Proceeds by our Company	Please see the chapter titled “Objects of the Issue” on page 72 of this Prospectus.

* Subject to finalisation of the Basis of Allotment.

Notes:

- 1) The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Issue is being made by our company in terms of [Regulation 229(2)] of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – issue paid up equity share capital of our company are being offered to the public for subscription.
- 2) The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on June 20, 2024 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 June 22, 2024
- 3) In the event of over-subscription, allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price. Allocation to investors in all categories, except the Retail Portion, shall be made on a proportionate basis subject to valid bids received at or above the Issue Price.
- 4) The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, which states that, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders and not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Issue Price. Accordingly, we have allocated the Net Issue i.e. 50% of the Net Issue to QIB and 35% of the Net Issue shall be available for allocation to Retail Individual Investors and 15% of the Net Issue shall be available for allocation to Non-institutional bidders.

- 5) *Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Stock Exchange, subject to applicable laws.*

For details, including grounds for rejection of Bids, refer to “Issue Structure” and “Issue Procedure” on page 249 and 253, respectively. For details of the terms of the Issue, see “Terms of the Issue” on page 241.

SUMMARY OF FINANCIAL INFORMATION

The following tables provide the summary of financial information of our Company derived from the Restated Financial Information as at September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022.

ANNEXURE I - RESTATED FINANCIAL STATEMENT OF ASSETS AND LIABILITIES

(₹ in Lakhs)

Particulars	Note No	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
EQUITY AND LIABILITIES					
Shareholder's Fund					
Equity share capital	3	766.13	340.50	113.50	113.50
Reserves and Surplus	4	1,034.86	996.84	244.99	172.12
Total Equity		1,800.99	1,337.34	358.49	285.62
Non-Current Liabilities					
Long term Provisions	5	40.23	26.77	46.95	21.15
Other Long-term liability	6	2,652.57	2,643.17	3,143.44	1,501.78
Total Non-Current Liabilities		2,692.80	2,669.94	3,190.39	1,522.93
Current Liabilities					
Short Term Borrowings	7	678.45	-	-	-
Trade Payables-	8				
Dues of Micro enterprises and Small enterprises		139.34	76.45	40.76	34.03
Dues of Others		3,687.06	5,552.84	5,724.07	3,126.26
Other Current Liabilities	9	2,342.06	1,054.50	1,378.94	1,109.57
Short-term Provisions	10	632.27	636.31	269.75	126.43
Total Current Liabilities		7,479.16	7,320.10	7,413.52	4,396.29
Total Equity and Liabilities		11,972.95	11,327.38	10,962.41	6,204.85
ASSETS					
Non-Current Assets					
Property, Plant & Equipment	11	1,356.33	1,600.81	1,374.82	452.55
Intangible Assets		103.38	153.68	236.74	0.20
Capital work in progress	11(A)	-	-	296.88	600.38
Long term loans and advances	12	-	-	130.51	94.18
Other non-current assets	13	417.10	103.65	349.01	92.68
Deferred tax Assets (Net)	14	246.22	268.81	124.69	28.97
Total Non-Current Assets		2,123.03	2,126.94	2,512.65	1,268.95
Current Assets					
Inventories	15	4,792.48	3,548.56	3,192.72	3,710.76
Trade Receivables	16	3,214.03	2,477.82	2,520.70	762.18
Cash and Cash Equivalents	17	162.31	378.96	175.40	99.09
Short-term Loans and Advances	18	1,426.82	938.59	701.70	324.80
Other Current Assets	19	254.29	1,856.51	1,859.24	39.07
Total Current Assets		9,849.92	9,200.44	8,449.76	4,935.90
Total Assets		11,972.95	11,327.38	10,962.41	6,204.85

ANNEXURE II - RESTATED FINANCIAL STATEMENT OF PROFIT AND LOSS
(₹ in Lakhs)

Particulars	Note No	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
INCOME					
Revenue from Operations	20	7,482.78	13,270.87	12,881.94	12,168.96
Other Income	21	101.35	15.07	6.45	1.04
Total Income		7,584.13	13,285.94	12,888.39	12,170.00
EXPENSES					
Purchase of Stock-in-Trade		387.76	1,816.76	5,177.92	8,336.36
Raw Material Consumed	22	5,255.50	7,483.10	4,276.50	2,682.74
Change in Inventories	23	(249.39)	(335.27)	(173.26)	(373.40)
Employee Benefit Expenses	24	565.60	1,289.13	916.42	401.92
Finance Cost	25	19.01			
Depreciation & Amortisation Expenses	10	320.91	642.58	577.32	134.45
Other Expenses	26	563.25	1,165.36	1,353.51	486.77
Total Expenses		6,862.63	12,061.65	12,128.40	11,668.83
Profit/(Loss) before exceptional and Exceptional items		721.49	1,224.28	759.99	501.17
Exceptional items	35	-	-	669.61	-
Profit/(Loss) Before Tax		721.49	1,224.28	90.38	501.17
Current Tax		235.26	389.56	113.23	34.87
Deferred Tax	14	22.59	(144.12)	(95.73)	102.17
Total tax		257.84	245.44	17.51	137.04
Profit/(Loss) for the year		463.65	978.85	72.87	364.13
Earnings per share (Face Value-10)*	34				
Basic		6.05	12.78	0.95	4.82
Diluted		6.05	12.78	0.95	4.82

*Based on weighted average number of shares

ANNEXURE III- CASH FLOW STATEMENT, AS RESTATED
(₹ in Lakhs)

Particulars	As at Sept 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit/(Loss) before tax	721.49	1,224.28	90.38	501.17
<u>Adjustments</u>				
Add : Depreciation	320.91	642.58	577.32	134.45
Add: Profit on sale of fixed asset	-	(1.16)	-	-
Add :Unrealised foreign exchange loss/ (gain)	105.96	197.52	273.61	(19.81)
Less : Interest Income	(10.26)	(13.91)	(6.45)	(0.45)
Add : Provision for warranty claims	21.12	45.92	24.42	10.77
Add: Finance Cost	19.01	-	-	-
Less : Sundry Balance w/off	(91.09)	-	-	-
Add : Loss due to fire	-	-	669.61	-
Operating profit before working capital changes	1,181.81	1,951.11	863.54	728.30
Increase/ (Decrease) in Trade Payables	(1,908.86)	(333.05)	2,330.93	1,698.68
Increase/ (Decrease) in provisions	(11.70)	300.48	144.72	130.58
Increase/ (Decrease) in Other Long-term liability	1,296.96	(824.72)	1,911.00	2,541.98
(Increase)/ Decrease in Inventory	(1,243.92)	(355.84)	518.04	(3,146.66)
(Increase)/ Decrease in Trade Receivables	(736.21)	42.88	(1,758.52)	(648.30)
(Increase)/ Decrease in Short & Long- term Loans and advances	(488.23)	(106.39)	(413.22)	(267.71)
(Increase)/ Decrease in Current & Other Non-current Asset	1,288.77	248.10	(2,076.50)	(106.97)
Cash flow from operations	(621.38)	922.57	1,519.98	929.89
Less: Tax paid during the year	235.26	389.56	113.23	34.87
Net Cash Flow from Operating Activities	(860.22)	677.13	1,502.48	792.85
CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of PPE (Net of Capital WIP)	(26.13)	(473.37)	(1,137.42)	(928.57)
Purchase of Intangible Asset	-	(21.39)	(295.19)	(0.16)
Sale of PPE	-	7.26	-	-
Interest Income	10.26	13.91	6.45	0.45
Net Cash Flow from Investing Activities	(15.87)	(473.58)	(1,426.16)	(928.28)
CASH FLOW FROM FINANCING ACTIVITIES				
Finance cost	(19.01)	-	-	-
Proceed from loan	678.45	-	-	-
Issued Equity Share Capital During the year	-	-	-	13.50
Security Premium received during the year	-	-	-	189.00
Net Cash Flow from Financing Activities	678.45	-	-	202.50
Net change in Cash and Cash Equivalents	(216.65)	213.08	(33.18)	67.08
Reconciliation of Cash and Cash Equivalents (IV)				
Cash and Cash Equivalents at the beginning of the year	378.96	175.40	99.09	32.01
Cash and Cash Equivalents at the end of the year	162.31	378.96	175.40	99.09
Components of Cash and Cash Equivalents [Refer note - 17]				
Cash In Hand	1.57	2.19	2.01	0.77
Balances with banks :	-	-	-	-
- Current accounts	60.15	149.20	63.89	82.81

- Bank deposits with maturity of less than 3 months	-	127.60	-	15.50
- Bank deposits with maturity of more than 3 months	100.60	99.97	109.50	-
Cash and Cash Equivalents at the end of the year	162.31	378.96	175.40	99.09

The Restated Financial Information referred to above is presented under the section titled “Financial Information” beginning on Page No. 168 of this Prospectus. The summary of financial information presented below should be read in conjunction with the Restated Financial Information, the notes thereto and the chapters titled “Financial Information” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” beginning on Page Nos. 168 and 194, respectively of this Prospectus.

GENERAL INFORMATION

CLN Energy Limited was originally incorporated as “JLNPhenix Energy Private Limited” on October 01, 2019 under the provisions of the Companies Act, 2013 with the Registrar of Companies, Kanpur with CIN U29309UP2019PTC121869. Subsequently, the name of our Company was changed to “CLN Energy Private Limited” vide special resolution passed by the shareholders of our Company in their meeting held on September 29, 2022 and a fresh Certificate of Incorporation consequent to the change of name was granted to our Company on May 08, 2023, by the Registrar of Companies, Kanpur. Further, our Company was converted into Public Limited Company pursuant to special resolution passed by the shareholders of our Company in their meeting held on April 04, 2024 and the name of our Company was changed to “CLN Energy Limited” and a Fresh Certificate of Incorporation consequent upon conversion of Company to Public Limited dated June 18, 2024 was issued by Central Processing Centre bearing CIN: U33100UP2019PLC121869.

Registered Office of our Company

CLN Energy Limited

Plot-18, Sector-140, Phase-2, Nepz Post Office,

Gautam Buddha Nagar, Dadri,

201305, Uttar Pradesh, India

Telephone: +91 75799 06940

E-mail: ipo@clnenergy.in

Website: www.clnenergy.in

CIN: U33100UP2019PLC121869

Registrar of Companies

Our Company is registered with the Registrar of Companies, Kanpur at Uttar Pradesh situated at the following address:

Registrar of Companies, Kanpur at Uttar Pradesh

37/17, Westcott Building, The Mall, Kanpur-208001, Uttar Pradesh.

Telephone: +91 0512-2310443

Email: roc.kanpur@mca.gov.in

Board of Directors of our Company

Set forth below are the details of our Board of Directors as on the date of this Prospectus

S. No.	Name	Designation	DIN	Address
1.	Sunil Gandhi	Whole Time Director and Chief Executive Officer	08433754	70, Ground Floor, Ashoka Enclave, Part-1, Near Kanishka Tower, Sector 34, Amarnagar, Faridabad, Haryana 121003.
2	Manish Shah	Whole Time Director and Chief Operating Officer	10343779	A/43, Sharanam-12, Opp.Green Acres, Prahladnagar, Ahmadabad City, Ambawadi, Vistar, Ahmadabad, Gujarat 380015.
3	Rajiv Seth	Chairman & Non-Executive Director	02156211	261, Gulmohar Enclave, Gulmohar Park, South Delhi, Delhi-110049
4	Bhawna Hundlani	Non-Executive Independent Director	10459772	694, 9th C Road, Sardarpura, Jodhpur, Rajasthan 342003.
5	Rakesh Kakkar	Non-Executive Independent Director	05190517	C-401, Bestech Park View Spa, Sector 47, South City-II, Farrukhnagar, Gurgaon, Haryana-122018.

For detailed profile of our Directors, please refer to the chapter titled “Our Management” on page 147 of the Prospectus.

Chief Financial Officer

Ashish Kumar

Chief Financial Officer

Plot-18, Sector-140, Phase-2, Nepz Post Office,
Gautam Buddha Nagar, Dadri, 201305,
Uttar Pradesh, India
Telephone: +91 75799 06940
E-mail: ipo@clnenergy.in
Website: www.clnenergy.in

Company Secretary and Compliance Officer

Sonal Jhanwar

Company Secretary and Compliance Officer

Plot-18, Sector-140, Phase-2, Nepz Post Office,
Gautam Buddha Nagar, Dadri, 201305,
Uttar Pradesh, India.
Telephone: +91 75799 06940
E-mail: ipo@clnenergy.in
Website: www.clnenergy.in

Investor grievances

Investors can contact the Company Secretary and Compliance Officer, the Book Running Lead Manager or the Registrar to the Issue in case of any pre- Issue or post- Issue related grievances, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc.

All Issue related grievances, other than that of Anchor Investors, may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary(ies) to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, UPI ID, PAN, date of submission of the Bid cum Application Form, address of the Bidder, number of Equity Shares applied for, the name and address of the Designated Intermediary(ies) where the Bid cum Application Form was submitted by the Bidder and ASBA Account number (for Bidders other than UPI Bidders using the UPI Mechanism) in which the amount equivalent to the Bid Amount was blocked or the UPI ID in case of UPI Bidders using the UPI Mechanism. Further, the Bidder shall also enclose a copy of the Acknowledgment Slip or provide the acknowledgement number received from the Designated Intermediary(ies) in addition to the information mentioned hereinabove.

In terms of SEBI Master Circular, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs at the rate higher of ₹ 100 or 15% per annum of the application amount in the events of delayed or withdrawal of applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially-allotted applications for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the Book Running Lead Manager shall compensate the investors at the rate higher of ₹ 100 or 15% per annum of the application amount. Further, in terms of SEBI circular 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 BRLM, 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.

All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchange with a copy to the Registrar to the Issue. The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

All Issue-related grievances of the Anchor Investors may be addressed to the Registrar to the Issue giving full details such as the name of the sole or First Bidder, Anchor Investor Application Form number, Bidders' DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the Book Running Lead Manager where the Anchor Investor Application Form was submitted by the Anchor Investor.

Details of Key Intermediaries pertaining to this Issue of our Company:

Book Running Lead Manager

ARYAMAN FINANCIAL SERVICES LIMITED

60, Khatau Building, Ground Floor, Alkesh Dinesh Modi Marg

Fort, Mumbai – 400 001

Tel No.: +91 22 6216 6999

Email: ipo@afsl.co.in

Website: www.afsl.co.in

Investor Grievance Email: feedback@afsl.co.in

Contact Person: Vatsal Ganatra/Deepak Biyani

SEBI Registration No. INM000011344

Registrar to the Issue

BIGSHARE SERVICES PRIVATE LIMITED

Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre,
Mahakali Caves Road, Andheri (East) Mumbai – 400093

Tel. No.: +91 22 6263 8200

Email: ipo@bigshareonline.com

Website: www.bigshareonline.com

Investor Grievance Email: investor@bigshareonline.com

Contact Person: Babu Rapheal

SEBI Registration No.: INR000001385

Legal Advisor to the Issue

M/S. ABDUS SAMEE ABDUL QADIR MANIYAR (A. A. MANIYAR) (ADVOCATE)

Office No. 2-A, Ground Floor, Ali Chambers, Tamarind Street,

Fort, Mumbai 400 001

Tel No.: +91 – 79 –26447527

Contact Person: +91 – 22 - 2265 5505

Email: advaamaniyar@gmail.com

Statutory Auditor of our Company

M/s. D G M S & CO.

Office No. 10, Vihang Vihar, Opp. Gautam Park Building,
Panchpakhadi, Thane West, Thane – 400 602

Tel: + 91 – 98242 31214

Email: doshimaru.andheri@gmail.com

Contact Person: Hiren Jayantila Maru

Membership No.: 115279

Firm Registration No.: 0112187W

Peer Review No: 010830

Banker to our Company

ICICI Bank Limited

S-4, First Floor Gamma-1, Gamma Shopping Complex,
Greater Noida, Uttar Pradesh-201306

Tel: +91-7021213435

Email: ankit.teotia@icicibank.com

Website: www.icicibank.com

Contact Person: Ankit Teotia

Banker to the Issue

AXIS BANK LIMITED

Address: Axis Bank Limited, Axis House, P.B. Marg, Worli, Mumbai – 400 025

Tel: 022 24253672

Email: Vishal.Lade@axisbank.com

Website: www.axisbank.com

Contact Person: Vishal Lade

Refund Bank

AXIS BANK LIMITED

Address: Axis Bank Limited, Axis House, P.B. Marg, Worli, Mumbai – 400 025

Tel: 022 24253672

Email: Vishal.Lade@axisbank.com

Website: www.axisbank.com

Contact Person: Vishal Lade

Sponsor Bank

AXIS BANK LIMITED

Address: Axis Bank Limited, Axis House, P.B. Marg, Worli, Mumbai – 400 025

Tel: 022 24253672

Email: Vishal.Lade@axisbank.com

Website: www.axisbank.com

Contact Person: Vishal Lade

Syndicate Member

Aryaman Financial Services Limited

60, Khatau Building, Ground Floor,

Alkesh Dinesh Modi Marg, Fort,

Mumbai – 400 001

Maharashtra, India

Tel: +91 22 6216 6999

Email: ipo@afsl.co.in

Investor Grievance Email: feedback@afsl.co.in

Website: www.afsl.co.in

Contact Person: Vatsal Ganatra/Deepak Biyani

SEBI Registration No: INM000011344

Designated Intermediaries

Self-Certified Syndicate Banks

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

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, Retail Individual Investors Applying using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>) and (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43>) respectively, as updated from time to time.

SCSBs enabled for UPI Mechanism

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, Retail Individual Investors Applying using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>) and 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’ for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, as amended.

Registered Brokers

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the Stock Exchange, at BSE Limited at <https://www.bseindia.com/> as updated from time to time.

Registrar and Share Transfer Agent

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the website of BSE Limited at <https://www.bseindia.com/> as updated from time to time.

Collecting Depository Participants

The list of the Collecting Depository Participants (CDPs) eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=19> for NSDL CDPs and at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=18> for CDSL CDPs, as updated from time to time. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

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.

Credit Rating

As this is an Issue of Equity Shares, credit rating is not required.

Green Shoe Option

No Green Shoe Option is applicable for this Issue.

Brokers to the Issue

All members of the recognized stock exchanges would be eligible to act as Brokers to the Issue.

Debenture Trustees

As this is an Issue of Equity Shares, the appointment of Debenture trustees is not required.

Monitoring Agency

As the Net Proceeds of the Issue will be less than ₹10,000 lacs, under the SEBI ICDR Regulations, it is not required that a monitoring agency be appointed by our Company.

Appraising Entity

None of the objects for which the Net Proceeds will be utilised have been appraised by any agency.

Expert Opinion

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

Our Company has received written consent from the Auditor namely, M/s. D G M S & Co., Chartered Accountants to include their name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Prospectus and as “Expert” as defined under section 2(38) of the Companies Act, 2013 in respect to their Report on Restated Financial Statements dated December 06, 2024 and Report on Statement of Tax Benefits dated December 06, 2024 and issued by them, included in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus.

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

Inter-se Allocation of Responsibilities

Aryaman Financial Service Limited, being the sole Book Running Lead Manager will be responsible for all the responsibilities related to co-ordination and other activities in relation to the. Hence, a statement of inter se allocation of responsibilities is not required.

Filing

The Draft Red Herring Prospectus has not been filed with SEBI, nor SEBI issue any observation on the Issue Document in terms of Regulation 246 (2) of SEBI ICDR Regulations. Pursuant to SEBI Master Circular, a copy of the Red Herring Prospectus/ Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. Further, a copy of Red Herring Prospectus/ Prospectus, will also be filed with the SME Platform of BSE Limited, where the Equity Shares are proposed to be listed.

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed under Section 32 of the Companies Act, 2013 was filed with the RoC and a copy of the Prospectus required to be filed under Section 26 of the Companies Act, 2013 will be filed with the RoC at its office and through the electronic portal <http://www.mca.gov.in/mcafoportal/loginvalidateuser.do>.

Changes in Auditors during the last three years

Except as disclosed below, there has been no change in the statutory auditors of our Company in the last three years preceding the date of this Prospectus:

Date	From	To	Reason for Change
November 21, 2024	Suraj Mishra & Associates Chartered Accountants, C-20 SF,BS,RS,KH NO.105/14/2 Street No 6, Block C Rajapuri Uttam Nagar New Delhi-110059 India Telephone: +91 96502 34438 Email: surajassociates2020associates@gmail.com Contact Person: Suraj Mishra Membership No.: 558043 Firm Registration No.: 037530N	M/s. D G M S & CO. Office No. 10, VihangVihar, Opp. Gautam Park Building, Panchpakhadi, Thane West, Thane – 400 602 Telephone: + 91 – 98242 31214 Email: doshimaru.andheri@gmail.com Contact Person: Hiren Jayantila Maru Membership No.: 115279 Firm Registration No.: 0112187W Peer Review No: 010830	Casual Vacancy
October 16, 2023	M/s. Walker Chandiok & Co LLP, Chartered Accountants 21st Floor, DLF Square, Jacaranda Marg, DLF Phase II, Gurugram, Haryana 122002 Telephone: +91 124 462 8099 E-Mail: arun.tandon@walkerchandiok.in Contact Person: Arun Tandon Membership No: 517273 Firm Registration No: 001076N/N500013	Suraj Mishra & Associates Chartered Accountants, C-20 SF,BS,RS,KH NO.105/14/2 Street No 6, Block C Rajapuri Uttam Nagar New Delhi-110059 India Telephone: +91 96502 34438 Email: surajassociates2020associates@gmail.com Contact Person: Suraj Mishra Membership No.: 558043 Firm Registration No.: 037530N	Casual Vacancy
April 09, 2022	M/s. BASK & Co. Chartered Accountants G-192, First Floor, Prashant Vihar, New Delhi- 110085 Telephone: +91 124 462 8099 E-Mail: mail@basknco.com Contact Person: CA Kalpit Sultania Membership No: 520337 Firm Registration No: 027202N	M/s. Walker Chandiok & Co LLP, Chartered Accountants 21st Floor, DLF Square, Jacaranda Marg, DLF Phase II, Gurugram, Haryana 122002 Telephone: +91 124 462 8099 E-Mail: arun.tandon@walkerchandiok.in Contact Person: Arun Tandon Membership No: 517273 Firm Registration No: 001076N/N500013	Casual Vacancy

BOOK BUILDING PROCESS

Book Building, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Price Band and minimum bid lot size have been decided by our Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process and advertised in all

editions of the Business Standard, an English national newspaper, all editions of Business Standard editions of Uttar Pradesh, a Hindi national newspaper and all Hindi editions of Business Standard, a regional language newspaper (Hindi, being the regional language of Uttar Pradesh, where our Registered Office is situated) at least two working days prior to the Bid/Issue Opening date. The Issue Price was determined by our Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process after the Bid/Issue Closing Date.

Principal parties involved in the Book Building Process are-

- Our Company;
The Book Running Lead Manager, in this case being Aryaman Financial Services Limited;
 - The Syndicate Member(s) who are intermediaries registered with SEBI / registered as brokers with BSE Limited and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the Book Running Lead Manager;
 - The Registrar to the Issue, in this case being Bigshare Service Private Limited
 - The Escrow Collection Banks/ Bankers to the Issue and
 - The Designated Intermediaries and Sponsor bank
- The SEBI ICDR Regulations have permitted the Issue of securities to the public through the Book Building Process, wherein allocation to the public shall be made as per Regulation 253 of the SEBI ICDR Regulations.

The Issue is being made through the Book Building Process wherein 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price.

Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35 % of the Net Issue shall be available for allocation to Retail Individual Bidders, in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Issue Price.

All potential Bidders may participate in the Issue through an ASBA process by providing details of their respective bank account which will be blocked by the SCSBs. All Bidders are mandatorily required to utilize the ASBA process to participate in the Issue. Under-subscription if any, in any category, except in the QIB Category, 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 BRLM and the Designated Stock Exchange.

All Bidders are mandatorily required to use the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs or, in the case of UPI Bidders, by using the UPI Mechanism.

In accordance with the SEBI ICDR Regulations, QIB and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/Issue Period and withdraw their Bids until the Bid/Issue Closing Date.

Subject to valid Bids being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for Retail Portion where allotment to each Retail Individual Bidders shall not be less than the minimum bid 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, 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 Book Running Lead Manager and the Stock Exchange. However, under – subscription, if any, in the QIB Portion will not be allowed to be met with spill over from other categories or a combination of categories.

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 may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention is invited to the chapter titled “*Issue Procedure*” beginning on page 253 of the Prospectus.

The process of Book Building under the SEBI ICDR Regulations is subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to making a Bid or application in the Issue.

For further details on the method and procedure for Bidding, please see section entitled “*Issue Procedure*” on page 253 of this Prospectus.

Illustration of the Book Building and Price Discovery Process: Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20 to ₹ 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Company in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

Steps to be taken by the Bidders for Bidding:

- Check eligibility for making a Bid (see section titled “*Issue Procedure*” on page 253 of this Prospectus);
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories;
- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant’s verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims; and
- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Prospectus and in the Bid cum Application Form.

Bid/Issue Program:

Event	Indicative Dates
Bid/Issue Opening Date	Thursday, January 23, 2025
Bid/Issue Closing Date	Monday, January 27, 2025
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before Tuesday, January 28, 2025
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or before Wednesday, January 29, 2025
Credit of Equity Shares to Demat accounts of Allottees	On or before Wednesday, January 29, 2025
Commencement of trading of the Equity Shares on the Stock Exchange	On or before Thursday, January 30, 2025

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running 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 Bid/Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/ 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. SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the time taken for listing of specified

securities after the closure of public issue to 3 working days (T+3 days) as against the earlier requirement of 6 working days (T+6 days); 'T' being issue closing date. Our Company shall obtain listing and trading approval of the Equity Shares within three (03) working days, in accordance with the timeline provided under the aforementioned circular.

Bid Cum 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 Bid/Issue Closing Date). On the Bid/ Issue Closing Date, the Bid Cum Application Forms will be accepted only between 10.00 a.m. to 3.00 p.m. (IST) for retail and non-retail Bidders. The time for applying for Retail Individual Applicant on Bid/ Issue Closing Date maybe extended in consultation with the BRLM, RTA and BSE Limited taking into account the total number of applications received upto the closure of timings.

Due to the limitation of time available for uploading the Bid Cum Application Forms on the Bid/ Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Issue Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Bid/ Issue Closing Date. Any time mentioned in the Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid Cum Application Forms are received on the Bid/Issue Closing Date, as is typically experienced in public Issue, some Bid Cum Application Forms may not get uploaded due to the lack of sufficient time. Such Bid Cum 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 BRLM is liable for any failure in uploading the Bid Cum 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 Bid Cum Application Forms prior to the Bid/ 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 Bid Cum 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 Bid Cum 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.

WITHDRAWAL OF THE ISSUE

Our Company in consultation with the BRLM, reserve the right not to proceed with the Issue at any time before the Bid/Issue Opening Date without assigning any reason thereof.

If our Company withdraw the Issue any time after the Issue Opening Date but before the allotment of Equity Shares, a public notice within 2 (two) working days of the Issue Closing Date, providing reasons for not proceeding with the Issue shall be issued by our Company. 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. The BRLM, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within 1 (one) working Day from the day of receipt of such instruction.

If our Company withdraw the Issue after the Bid/Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will have to file a fresh Draft Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approval of the Stock Exchange with respect to the Equity Shares Issued through the Prospectus, which our Company will apply for only after Allotment;

UNDERWRITING AGREEMENT

The Company and the Book Running Lead Manager to the Issue hereby confirm that the Issue will be 100% Underwritten by the Underwriters Aryaman Financial Services Limited and Aryaman Capital Markets Limited.

Pursuant to the terms of the Underwriting Agreement dated October 24, 2024 entered into by Company, Underwriters, the obligations of the Underwriters are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

Details of the Underwriters	No. of shares underwritten	Amount Underwritten (₹ in Lakh)	% of the total Issue Size Underwritten
Aryaman Financial Services Limited 60, Khatau Building, Gr. Floor, Alkesh Dinesh Modi Marg, Opp. P. J. Tower (BSE Bldg.), Fort,	27,36,000	6,840.00	94.61%

Mumbai – 400 001 Tel. No.: +91 – 22 – 6216 6999 Email: ipo@afsl.co.in			
Aryaman Capital Markets Limited 60, Khatau Building, Gr. Floor, Alkesh Dinesh Modi Marg, Opp. P. J. Tower (BSE Bldg.), Fort, Mumbai – 400 001 Tel. No.: +91 – 22 – 6216 6999 Email: aryacapm@gmail.com	1,56,000	390.00	5.39%
Total	28,92,000	7,230.00	100.00%

In the opinion of our Board of Directors (based on a certificate given by the Underwriter), the resources of the above-mentioned Underwriter is sufficient to enable it to discharge its underwriting obligation in full. The above mentioned Underwriter is registered with SEBI under Section 12(1) of the SEBI Act and registered as brokers with the Stock Exchanges or registered as Merchant Banker with SEBI.

DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE

Our Company has entered into a Market Making Agreement dated October 24, 2024 with the following Market Maker for fulfilling the Market Making obligations under this Issue:

Details of Market Maker	No of Shares	%
Aryaman Capital Markets Limited	1,56,000	5.39%

In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the Lead Manager and the Market Maker (duly registered with BSE Limited to fulfil the obligations of Market Making) dated October 24, 2024 to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this Issue.

Aryaman Capital Markets Limited, registered with SME Platform of BSE Limited will act as the Market Maker and has agreed to receive or deliver of 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 any amendment to SEBI ICDR Regulations.

The Market Maker shall fulfill 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 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 minimum depth of the quote shall be ₹ 1,00,000. However, the Investors with holdings of value less than ₹ 1,00,000 shall be allowed to offer their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
3. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
4. After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Shares of market maker in our Company reaches to 25% of Issue Size (Including the 1,56,000 Equity Shares ought to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 1,56,000 Equity Shares would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of market maker in our Company reduce to 24% of Issue Size, the market maker will resume providing 2-way quotes.
5. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE Limited may intimate the same to SEBI after due verification.
6. There would not be more than five Market Maker for the Company's Equity Shares at any point of time and the Market Maker may compete with other Market Maker for better quotes to the investors.
7. 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 pre-open call auction. In case equilibrium price is not discovered the price band in the normal trading session shall be based on Issue price.

8. The Marker Maker may also be present in the opening call auction, but there is no obligation on him to do so.
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 Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Lead Managers, who shall then be responsible to appoint a replacement Market Maker.

In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager 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 and the Lead Manager 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.

11. **Risk containment measures and monitoring for Market Maker:** SME Platform of BSE Limited will have all margins which are applicable on the BSE 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.
12. **Punitive Action in case of default by Market Maker:** SME Platform of BSE Limited 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.
13. 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.
14. Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for Issue size upto ₹ 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.
15. Additionally, the securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for first 10 days from commencement of trading. The following spread will be applicable on the SME platform.

S. No.	Market Price Slab (in Rs.)	Proposed Spread (in % to sale price)
1.	Upto 50	9
2.	50 to 75	8
3.	75 to 100	6
4.	Above 100	5

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.

16. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market makers 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)
Upto ₹20 Crore	25%	24%
₹20 Crore to ₹50 Crore	20%	19%
₹50 Crore to ₹80 Crore	15%	14%

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)
Above ₹80 Crore	12%	11%

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 Limited from time to time.

CAPITAL STRUCTURE

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

(₹ in lakhs except share data)

Sr. No.	Particulars	Aggregate Value at Nominal Value	Aggregate Value at Issue Price
A.	Authorised Share Capital out of which :		
	1,10,00,000 Equity Shares having Face Value of ₹10/- each	1,100.00	-
B.	Issued, Subscribed and Paid-up Share Capital before the Issue out of which		
	76,61,250 Equity Shares of ₹10/- each	766.125	
C.	Present Issue in terms of this Prospectus⁽¹⁾		
	Issue of 28,92,000 Equity Shares of ₹ 10/- each at a price of ₹ 250 per Equity Share	289.20	7,230.00
	Which comprises:		
	1,56,000 Equity Shares of ₹ 10/- each at a price of ₹ 250 per Equity Share reserved as Market Maker Portion	15.60	390.00
	Net Issue to Public of 27,36,000 Equity Shares of ₹ 10/- each at a price of ₹ 250 per Equity Share to the Public	273.60	6,840.00
	Of which^{(2) & (3)}:		
	9,57,600 Equity Shares of ₹ 10/- each at a price of ₹250 per Equity Share was made available for allocation to Retail Individual Investors	95.76	2,394.00
	4,10,400 Equity Shares of ₹ 10/- each at a price of ₹250 per Equity Share was made available for allocation to Non-Institutional Investors	41.04	1,026.00
	13,68,000 Equity Shares was made available for allocation to Qualified Institutional Buyers, five percent of which shall be allocated to mutual funds.	136.80	3,420.00
D.	Paid-up Share Capital after the Issue		
	1,05,53,250 Equity Shares of ₹ 10/- each	1,055.32	
E.	Securities Premium Account		
	Before the Issue		Nil
	After the Issue		6940.80

⁽¹⁾ The present Issue has been authorized pursuant to a resolution of our Board dated June 20, 2024 and pursuant to a special resolution of our Shareholders passed in an Extraordinary General Meeting dated June 22, 2024 under Section 62(1)(c) of the Companies Act, 2013.

⁽²⁾ In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018 this is an issue for at least 25% of the post issue paid-up Equity share capital of the Company. This issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 253 of the SEBI (ICDR) Regulations.

⁽³⁾ Subject to valid Bids being received at or above the issue price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.

Classes of Shares

Our Company has only one class of share capital i.e. Equity Shares of face value of ₹ 10/- each only. All the issued Equity Shares are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Prospectus.

Notes to Capital Structure

1. Changes in Authorised Equity Share Capital of our Company:

Sr. No.	Particulars of Changes	Cumulative No. of Equity Shares	Face Value of Equity Shares Share	Cumulative Authorized Share Capital (₹ in lakhs)	Date of Shareholders' Meeting	Whether AGM/ EGM
1.	Upon incorporation	150,000	10	15.00	On Incorporation	N.A.
2.	Increase in Authorised Share Capital from ₹15.00 Lakhs to ₹ 100.00 Lakhs	10,00,000	10	100.00	October 05, 2019	EGM
3.	Increase in Authorised Share Capital from ₹100.00 Lakhs to ₹ 500.00 Lakhs	50,00,000	10	500.00	December 02, 2021	EGM
4.	Increase in Authorised Share Capital from ₹500.00 Lakhs to ₹ 1100.00 Lakhs	1,10,00,000	10	1100.00	June 06, 2024	EGM

2. Share Capital History of our Company:

a) Equity Shares capital

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

Date of allotment	No. of Equity Shares Allotted	Face Value (₹)	Issue Price (including Premium if Applicable (₹))	Nature of consideration	Nature of allotment	Cumulative no. of Equity Shares	Cumulative paid-up Capital (₹)
Upon Incorporation	2	10	10	Cash	Subscription to MOA ⁽ⁱ⁾	2	20
November 14, 2019	9,99,998	10	10	Cash	Right Issue ⁽ⁱⁱ⁾	10,00,000	1,00,00,000
January 01, 2022	1,35,000	10	150	Cash	Preferential Issue ⁽ⁱⁱⁱ⁾	11,35,000	1,13,50,000
November 02, 2023	22,70,000	10	Nil	Other than Cash	Bonus Issue ^(iv)	34,05,000	3,40,50,000
June 07, 2024	42,56,250	10	Nil	Other than Cash	Bonus Issue ^(v)	76,61,250	7,66,12,500

All the above-mentioned shares are fully paid up since the date of allotment.

(i) Initial Subscribers to Memorandum of Association, subscribed 2 Equity Shares of face value of ₹10/- each, details of which are given below:

Sr. No.	Name of Subscribers	Number of Equity Shares Subscribed
1.	Jeevan Chand	1
2.	Sanjay Chopra	1
Total		2

(ii) Right Issue of 9,99,998 Equity Shares of face value of ₹ 10/- each per share were made to as per details given below:

Sr. No.	Name of Allottees	Number of Equity Shares Allotted
1.	M/s. Minmax Energy Limited	9,99,998
Total		9,99,998

(iii) Preferential Issue of 1,35,000 Equity Shares of face value of ₹ 10/- each per share were made to as per details given below:

Sr. No.	Name of Allottees	Number of Equity Shares Allotted
1.	M/s. CLN Energy Pte.Ltd.	1,35,000
Total		1,35,000

(iv) Bonus issue of 22,70,000 Equity Shares of face value of ₹ 10/-each in the ratio of 2:1 i.e. Two (2) Bonus Equity Shares for every One (1) Equity Shares held by shareholders were made to as per details given below:

Sr. No.	Name of Allottees	Number of Equity Shares Allotted
1.	M/s. CLN Energy Pte. Ltd.	22,69,996
2.	Jeevan Chand	2
3.	Sunil Gandhi	2
Total		22,70,000

(v) Bonus issue of 42,56,250 Equity Shares of face value of ₹ 10/-each in the ratio of 125:100 i.e. One Hundred and Twenty Five (125) Bonus Equity Shares for every One Hundred (100) Equity Shares held by shareholders were made to as per details given below:

Sr. No.	Name of Allottees	Number of Equity Shares Allotted
1.	M/s. CLN Energy Pte. Ltd.	42,56,244
2.	Jeevan Chand	1
3.	Sunil Gandhi	1
4.	Manish Shah	1
5.	Mainak Bhanja	1
6.	Sunjiv Kumar Bhardwaj	1
7.	Sanni Kumar	1
Total		42,56,250

b) Preference Share Capital:

As on the date of this Prospectus, our Company has not issued preference shares and does not have any outstanding preference shares.

3. Details of Allotment made in the last two years preceding the date of Prospectus

Except as mentioned in point number 2(a)(iv) and 2(a)(v) above, the Company has not issued any Equity Shares in the last two years preceding the date of the Prospectus.

4. Issue of Equity Shares for consideration other than cash in last 1 year:

Except as set out below, we have not issued Equity Shares for consideration other than cash:

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Reasons for Allotment	Benefits Accrued to our Company	Name of Allottee	No. of Shares Allotted
June 07, 2024	42,56,250	10	Nil	Bonus Issue in the ratio of 125:100	Capitalization of Reserves & Surplus	M/s. CLN Energy Pte. Ltd.	42,56,244
						Jeevan Chand	1
						Sunil Gandhi	1

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Reasons for Allotment	Benefits Accrued to our Company	Name of Allottee	No. of Shares Allotted
						Manish Shah	1
						Mainak Bhanja	1
						Sunjiv Kumar Bhardwaj	1
						Sanni Kumar	1
Total							42,56,250

5. No Equity Shares have been allotted pursuant to any scheme approved under sections 230-234 of the Companies Act, 2013 or under the erstwhile corresponding provisions of the Companies Act, 1956.
6. Except for Bonus Issue made on June 07, 2024, Our Company has not issued any Equity Shares during a period of one year preceding the date of this Prospectus which may be lower than the Issue Price.
7. Our Company has not revalued its assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

8. Shareholding Pattern of the Company

The table below represents the shareholding pattern of our Company in accordance with Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as on the date of this 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 (V)	No. of shares underlying Depository Receipts (VI)	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 securities (including Warrants) (X)	Shareholding, as a % assuming full convertible securities (as a percentage of diluted share capital)(XI)= (VII)+(X) As a % of (A+B+C2)	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 & Promoters Group	1	76,61,238	-	-	76,61,238	99.99%	76,61,238	-	76,61,238	99.99%	-	99.99%	76,61,238	99.99%	-	-	76,61,238
B	Public	6	12	-	-	12	0.01%	12	-	12	0.01%	-	0.01%	-	-	-	-	-
C	Non Promoters Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	7	7,661,250	-	-	7,661,250	100.00%	7,661,250	-	7,661,250	100.00%	-	100.00%	76,61,238	99.99%	-	-	76,61,238

As on date of this Prospectus 1 Equity Shares share holds 1 vote.

We have only one class of Equity Shares of face value of Rs. 10/- each.

We have entered into tripartite agreement dated June 24, 2024 with CDSL & May 15, 2024 with NSDL respectively

Our Company will file the shareholding pattern in the format prescribed under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, one day prior to the listing of the Equity Shares. The shareholding pattern will be uploaded on the Website of the BSE before commencement of trading of such Equity Shares.

9. List of Shareholders of the Company holding 1% or more of the paid up Share Capital of the Company: -

a) As on the date of filing of this Prospectus: -

Sr. No	Names of Shareholders	Equity Shares Held (Face Value of ₹10 each)	% Pre-Issue paid up Share Capital
1.	Ms. CLN Energy Pte.Ltd.	76,61,238	99.99%
Total		76,61,238	99.99%

b) Ten days prior to the date of filing of this Prospectus: -

Sr. No	Names of Shareholders	Equity Shares Held (Face Value of ₹10 each)	% Pre-Issue paid up Share Capital
1.	Ms. CLN Energy Pte.Ltd.	76,61,238	99.99%
Total		76,61,238	99.99%

c) One Year prior to the date of filing of this Prospectus: -

Sr. No	Names of Shareholders*	Equity Shares Held (Face Value of ₹10 each)	% Pre-Issue paid up Share Capital
1.	Ms. CLN Energy Pte.Ltd.	34,04,994	99.99%
Total		34,04,994	99.99%

**Details of shares held on January 28, 2024 and percentage held has been calculated based on the paid-up capital of our Company as on January 28, 2024*

d) Two Years prior to the date of filing of this Prospectus: -

Sr. No	Names of Shareholders*	Equity Shares Held (Face Value of ₹10 each)	% Pre-Issue paid up Share Capital
1.	Ms. CLN Energy Pte.Ltd.	11,34,998	99.99%
Total		11,34,998	99.99%

**Details of shares held on January 28, 2023 and percentage held has been calculated based on the paid-up capital of our Company as on January 28, 2023.*

10. Our Company has not made any Initial Public Offer of specified securities in the preceding two years.

Our Company has not made any Initial Public Offer of specified securities in the preceding two years.

11. No further issue of capital during the period commencing from the date of the Draft Red Herring Prospectus until the Equity Shares of our Company have been listed.

There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, Right issue or in any other manner during the period commencing from the date of the Draft Red Herring Prospectus until the Equity Shares of our Company have been listed or application money unblocked on account of failure of Issue. Further, our Company does not intend to alter its capital structure within six months from the date of opening of the offer, by way of split / consolidation of the denomination of Equity Shares. However, 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 of Directors may deem fit, if an opportunity of such nature is determined by the Board of Directors to be in the interest of our Company.

12. Capital Buildup in respect of Shareholding of our Promoters

As on the date of this Prospectus, Our Promoters, CLN Energy Pte. Ltd. hold 76,61,238 Equity Shares and Rajiv Seth does not hold any Equity Shares of our Company. None of the Equity Shares held by our Promoters are subject to any pledge.

Set forth below is the build-up of the shareholding of CLN Energy Pte. Ltd in our Company since incorporation.

Date of Allotment and paid up/ Transfer	No. of Equity Shares	Face Value Per Share (₹)	Issue/ Acquisition/ Transfer Price (₹)	Consideration	Nature of Acquisition	Pre-Issue Shareholding %	Post-Issue Shareholding %
January 01, 2022	1,35,000	10/-	150/-	Cash	Preferential Issue	1.76%	1.28%
September 15, 2022	9,99,998	10/-	10/-	Cash	Acquisition by way of Transfer of shares*	13.05%	9.48%
November 02, 2023	22,69,996	10/-	Nil	Other than Cash	Bonus Issue in the ratio of 2:1	29.63%	21.51%
June 07, 2024	42,56,244	10/-	Nil	Other than Cash	Bonus Issue in the ratio of 125:100	55.56%	40.33%
Total (A)	76,61,238					99.99%	72.60%

* Acquired from Minmax Energy Limited, another company of Rajiv Seth (our individual Promoter).

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

Sr. No.	Name of the Promoters	No. of Shares held	Average cost of Acquisition (in ₹)
1.	CLN Energy Pte. Ltd.	76,61,238	3.95
2.	Rajiv Seth	Nil	Nil

14. Shareholding of Promoters & Promoters Group

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

Category of Promoters	Pre-Issue		Post-Issue	
	No. of Shares	% of Pre-Issue Capital	No. of Shares	% of Post-Issue Capital
1. Promoters				
CLN Energy Pte. Ltd.	76,61,238	99.99%	76,61,238	72.60%
Total Promoter Holding	76,61,238	99.99%	76,61,238	72.60%
2. Promoters Group (as per defined by Reg. 2(1)(pp) of SEBI ICDR Regulations)*				
Total Promoters Group Holding	Nil	Nil	Nil	Nil
Total Promoters & Promoters Group Holding	76,61,238	99.99%	76,61,238	72.60%

*Our Promoter Group as defined under Regulation 2(1)(pp) of SEBI ICDR Regulations does not hold any equity shares in our company.

15. No Equity Shares were acquired/ purchased/ sold by the Promoter and Promoter Group, Directors and their immediate relatives within six months immediately preceding the date of filing of the Draft Red Herring Prospectus.

16. None of our Promoters, Promoter Group, our 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 Prospectus.

17. Details of Promoters’ Contribution Locked-in for Three Years:

Pursuant to Regulation 236 and 238 of SEBI (ICDR) Regulations, 2018, an aggregate of 20.00% of the post issue capital held by our Promoters shall be considered as Promoter’s Contribution (“Promoters Contribution”) and shall be locked-in for a period of three years from the date of allotment of Equity Shares issued pursuant to this Issue. The

lock in of Promoter's Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

As on the date of this Prospectus, our Promoter, CLN Energy Pte. Ltd. singly hold 76,61,238 Equity Shares constituting 99.99% of the Pre-Issued, subscribed and paid-up Equity Shares Share Capital of our Company, which are eligible for the Promoters' contribution.

Our Promoters, CLN Energy Pte. Ltd. have given written consent to include 21,50,000 Equity Shares held by them as part of Promoters Contribution constituting 20.37% of the post issue Equity Shares of our Company. Further, they have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters contribution, for a period of three years from the date of allotment in the Issue.

Date of Allotment/ Transfer and made fully Paid Up	No. of Equity Shares locked- in*	Face Value Per Share (₹)	Issue/ Acquisition/ Transfer Price (₹)	Nature of transaction	Post-Issue Shareholding %	Lock in Period
November 02, 2023	21,50,000	10/-	Nil	Bonus Issue in the ratio of 2:1	20.37%	3 years

*Assuming full subscription to the Issue.

The minimum Promoter's contribution has been brought in to the extent of not less than the specified minimum lot and from persons defined as "Promoter" under the SEBI (ICDR) Regulations. All Equity Shares, which are being locked in are not ineligible for computation of Minimum Promoters Contribution as per Regulation 237 of the SEBI (ICDR) Regulations, 2018 and are being locked in for 3 years as per Regulation 238(a) of the SEBI (ICDR) Regulations, 2018 i.e. for a period of three years from the date of allotment of Equity Shares in this issue.

The entire pre-issue shareholding of the Promoters, other than the Minimum Promoters contribution which is locked in for three years, shall be locked in for a period of one year from the date of allotment in this Issue.

Eligibility of Share for "Minimum Promoters Contribution in terms of clauses of Regulation 237(1) of SEBI (ICDR) Regulations, 2018

Reg. No.	Promoters' Minimum Contribution Conditions	Eligibility Status of Equity Shares forming part of Promoter's Contribution
237(1)(a)(i)	Specified securities acquired during the preceding three years, if they are acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction	The minimum Promoter's contribution does not consist of such Equity Shares. Hence Eligible
237(1)(a)(ii)	Specified securities acquired during the preceding three years, resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the issuer or from bonus issue against Equity Shares which are ineligible for minimum promoters' contribution	The minimum Promoter's contribution does not consist of such Equity Shares. Hence Eligible
237(1)(b)	Specified securities acquired by promoters during the preceding one year at a price lower than the price at which specified securities are being offered to public in the initial public offer	The minimum Promoter's contribution does not consist of such Equity Shares. Hence Eligible
237(1)(c)	Specified securities allotted to promoters during the preceding one year at a price less than the issue price, against funds brought in by them during that period, in case of an issuer formed by conversion of one or more partnership firms, where the partners of the erstwhile partnership firms are the promoters of the issuer and there is no change in the management: Provided that specified	The minimum Promoter's contribution does not consist of such Equity Shares. Hence Eligible

Reg. No.	Promoters' Minimum Contribution Conditions	Eligibility Status of Equity Shares forming part of Promoter's Contribution
	securities, allotted to promoters against capital existing in such firms for a period of more than one year on a continuous basis, shall be eligible	
237(1)(d)	Specified securities pledged with any creditor.	Our Promoters have not Pledged any shares with any creditors. Accordingly, the minimum Promoter's contribution does not consist of such Equity Shares. Hence Eligible.

Details of Promoters' Contribution Locked-in for One Year

In terms of Regulation 238(b) and 239 of the SEBI (ICDR) Regulations, 2018, in addition to the Minimum Promoters contribution which is locked in for three years, as specified above, the entire pre-issue Equity Shares share capital constituting 55,11,250 Equity Shares shall be locked in for a period of one year from the date of allotment of Equity Shares in this Issue.

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, the Equity Shares which are subject to lock-in shall carry inscription '**non-transferable**' along with the duration of specified non-transferable period mentioned in the face of the security certificate. The shares which are in dematerialized form, if any, shall be locked-in by the respective depositories. The details of lock-in of the Equity Shares shall also be provided to the Designated Stock Exchange before the listing of the Equity Shares.

Other requirements in respect of lock-in:

1. In terms of Regulation 242 of the SEBI (ICDR) Regulations, 2018 the locked in Equity Shares held by the Promoters, as specified above, can be pledged with any scheduled commercial bank or public financial institution or a systemically important non-banking finance company or a housing finance company as collateral security for loan granted by such bank or institution provided that the pledge of Equity Shares is one of the terms of the sanction of the loan. Provided that securities locked in as minimum promoter contribution may be pledged only if, in addition to fulfilling the above requirements, the loan has been granted by such bank or institution, for the purpose of financing one or more of the objects of the Issue.
2. In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.
3. Further in terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 the specified securities held by the promoters and locked-in as per regulation 238 may be transferred to another promoter or any person of the promoter group or a new promoter or a person in control of the issuer subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.
18. Neither, we nor our Promoters, Directors and the BRLM to this Issue have entered into any buyback and/ or standby arrangements and/ or similar arrangements for the purchase of our Equity Shares from any person.
19. As on the date of this Prospectus, the entire Issued Share, Subscribed and Paid-up Share Capital of our Company is fully paid up. Since the entire issue price in respect of the issue is payable on application, all the successful applicants will be allotted fully paid- up Equity shares.
20. The BRLM i.e., Aryaman Financial Services Limited and their associates do not hold any Equity Shares in our Company as on the date of filing of this Prospectus.
21. As on the date of this Prospectus, we do not have any Employees Stock Option Scheme / Employees Stock Purchase Scheme and we do not intend to allot any shares to our employees under Employee Stock Option

Scheme/ Employee Stock Purchase Plan from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.

22. We have 7 (Seven) shareholders as on the date of filing of this Prospectus.
23. As on the date of filing of this Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments which would entitle Promoters or any shareholders or any other person any option to acquire our Equity Shares after this Initial Public Offer.
24. Our Company has not raised any bridge loan against the proceeds of the Issue.
25. An over-subscription to the extent of 10% of the 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 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 Promoters and subject to 3-year lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
26. 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 BRLM and the Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines. Under-subscription, if any, in the QIB Category will not be allowed to be met with spill over from any category or combination thereof.
27. In case of over-subscription in all categories the allocation in the issue shall be as per the requirements of Regulation 253 of SEBI (ICDR) Regulations, 2018 and its amendments from time to time.
28. At any given point of time there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
29. Our Company shall comply with such disclosure and accounting norms as may be specified by BSE, SEBI and other regulatory authorities from time to time.
30. There are no Equity Shares against which depository receipts have been issued.
31. Other than the Equity Shares, there is no other class of securities issued by our Company.
32. There are no safety net arrangements for this public issue.
33. As per RBI regulations, OCBs are not allowed to participate in this issue.
34. Our Promoters and Promoter Group will not participate in this Issue.
35. This Issue is being made through Book Building Method.
36. No person connected with the Issue shall offer any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Applicant.
37. We shall ensure that transactions in Equity Shares by the Promoters and members of the Promoter Group, if any, between the date of filing the Red Herring Prospectus and the Issue Closing Date are reported to the Stock Exchanges within 24 hours of such transactions being completed.

SECTION V- PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

Issue Proceeds and Net Issue Proceeds

The details of the proceeds of the Issue are set forth in the table below:

(₹ in lakhs)

Particulars	Amount
Gross Proceeds of the Issue	7,230
Less: Issue related expenses ⁽¹⁾	453
Net Proceeds of the Issue	6,777

⁽¹⁾ The Issue related expenses are estimated expenses and subject to change

Net Issue

Our Company proposes to utilize the Net Proceeds from Issue towards funding the following objects (collectively, referred to herein as the “Objects”):

1. Purchase of machinery and equipment
2. Funding Working capital requirements
3. General Corporate Purpose

Further, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchange including to enhance our visibility and our brand image among our existing and potential customers and creation of a public market for our Equity Shares in India.

The main objects and objects incidental and ancillary to the main objects set out in the Memorandum of Association enable us (i) to undertake our existing business activities and (ii) to undertake the activities proposed to be funded from the Net Proceeds.

Proposed Schedule of Implementation and Deployment of the Net Proceeds

The Net Proceeds of the Issue (“Net Proceeds”) are currently expected to be deployed in accordance with the schedule as stated below:

(₹ in lakhs)

Sr. No.	Particulars	Amount to be funded from the Net Proceeds	Amount to be deployed from the Net Proceeds in FY 2024-25
1.	Purchase of machinery and equipment	971	971
2.	Funding Working capital requirements	4,022	4,022
3.	General Corporate Purpose	1,784	1,784
Total		6,777	6,777

Requirements of Funds and Means of Finance

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan, management estimates, quotations from suppliers, and other commercial and technical factors. We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, business and strategy, competition, negotiation with suppliers, variation in cost estimates on account of factors, including changes in design or configuration of the equipment and other external factors including changes in the price of the equipment due to variation in commodity prices which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose, subject to compliance with applicable law. For further details, see “Risk Factors” on page no. 22 The Objects of the Issue for which funds are being raised have not been appraised by any bank or financial institution. The deployment of funds is entirely at the discretion of our management and as per the details mentioned in the section titled “Objects of the Issue”. Any revision in the estimates may require us to reschedule our expenditure and may have a bearing on our expected revenues and earnings”. To the extent our Company is unable to utilise any portion of the Net Proceeds towards the aforementioned objects of the Issue, as per the estimated schedule of deployment specified above, our Company shall deploy the Net Proceeds in the subsequent Fiscals towards the aforementioned objects

The fund requirements for all objects are proposed to be entirely funded from the Net Proceeds. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards 75% of the stated means of finance.

In case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by our internal accruals and/ or debt, as required. If the actual utilization 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 Issue in accordance with the SEBI ICDR Regulations.

DETAILS OF THE FUND REQUIREMENTS

1. Purchase of machinery and equipment:

We currently have two manufacturing facility located at Noida and Pune. We propose to augment our capacities & in-house capabilities by installing new equipment and machinery. Our Company hence, intends to utilize ₹971 lakhs (1.16 million US Dollars at exchange rate of ₹ 83.69 per USD) from the Net Proceeds for the purchase of machinery and equipment at our Noida's manufacturing facility. We believe this will enable us to cater the growing demand of our customers with enhanced quality and increased efficiency. We are yet to place orders for such machineries and equipment. The details of such machinery and equipment are set forth below:

Sr. No	Machinery specification and description	Quantity	Cost per unit (USD in lakhs)	Cost per unit (USD in million)	Total cost (USD in million)
1.	Cell Grading Machine -5V 60A with Rack - 80 Channel	5	0.69	0.07	0.35
2.	Cell Grading Machine 5V 100Ah with Rack - 64 Channel	6	0.36	0.04	0.22
3.	Cell Grading Machine 5V 200A with Rack - 32 Channel	1	0.80	0.08	0.08
4.	Automatic Prismatic Cell Sorting machine - with Cell Traceability	2	0.57	0.06	0.11
5.	Laser welding Machine - 3KW (Open Platform)	1	1.32	0.13	0.13
6.	Battery Testing Machine- 1000V 50A -C/D for High Voltage Battery	1	1.64	0.16	0.16
7.	Battery Testing Machine -150V100A-16 Channel	1	1.07	0.11	0.11
Total					1.16
Total in ₹ lakhs					971

The above quotation is for new machines and equipment has been obtained from Jucheng International Trade (Jiaxing) Co., Ltd, China dated November 29, 2024 and has a validity of 90 days i.e. February 26, 2025.

We have not entered into definitive agreements with the above vendor and there can be no assurance that the same vendors would be engaged to eventually supply the equipment or at the same costs. The quantity of equipment to be purchased is based on the present estimates of our management.

Details of use of machine are given below:

Sr. No	Machinery specification and description	Use
1.	Cell Grading Machine -5V 60A with Rack - 80 Channel	Comprehensive testing of individual cells used in the battery will be conducted to assess their capacity and other critical parameters.
2.	Cell Grading Machine 5V 100Ah with Rack -64 Channel	Comprehensive testing of individual cells used in the battery will be conducted to assess their capacity and other critical parameters.
3.	Cell Grading Machine 5V 200A with Rack -	Comprehensive testing of individual cells used in the

Sr. No	Machinery specification and description	Use
	32 Channel	battery will be conducted to assess their capacity and other critical parameters.
4.	Automatic Prismatic Cell Sorting machine - with Cell Traceability	Cell grouping for a specific battery will be based on voltage and ACIR (AC Internal Resistance) characteristics.
5.	Laser welding Machine - 3KW (Open Platform)	Laser welding will be utilized to establish interconnections between cells through busbars.
6.	Battery Testing Machine- 1000V 50A -C/D for High Voltage Battery	Comprehensive testing of battery like safety parameters and performance.
7.	Battery Testing Machine -150V100A-16 Channel	Comprehensive testing of battery like safety parameters and performance.

Our Company shall deploy ₹ 971 lakhs for purchase of above-mentioned machinery during the FY 2024-25.

2. Funding Working capital requirements

Our Company manufactures lithium-ion battery, motors and trades in its ancillary items. Our Company also generates service income through the research and development team by creating design and prototype for the customers who seeks to use lithium-ion batteries in their application. Since the major raw materials are imported from China and due to unavailability of working capital, we pay our creditors after a long duration, thereby losing available discounts on bulk procurement, better pricing and relations with them. With the flow of funds and on time payment to creditors, we can enhance our profit margin by availing cash discount, better pricing and cost-effective procurement of raw materials. In order to effectively expand our business in PAN India, increase the application of lithium-ion battery, along with effectively utilizing our manufacturing capacity at existing facilities, we need to have access to a larger amount of liquid funds and sufficient working capital. Our Company primarily works with the multi-national companies and the market practice is to provide substantial credit period from our billing cycle and likewise substantial amounts of our funds are required for the long gestation raw materials and work-in-progress inventories and working capital assets we would hold. Hence, the success in our business is dependent on our ability to ensure we have planned and funded working capital available to ensure smooth flow of our products.

Existing Working Capital

The details of Company's existing working capital gap and source of their funding based on restated financials for the Financial Year 2021-22, 2022-23, 2023-24 and for the period ended September 30, 2024. These working capital gaps are certified by the Statutory Auditors, pursuant to a certificate dated January 06, 2025.

(in Lakhs)

Particulars	Fiscal 2021-22 (Restated)	Fiscal 2022-23 (Restated)	Fiscal 2023-24 (Restated)	Period ended September 30, 2024 (Restated)
Current Assets				
Inventories	3,711	3,193	3,549	4,792
Trade Receivables	762	2,521	2,478	3,214
Short Term Loans and Advances	325	702	939	1,427
Other Current Assets	39	1,859	1,857	254
Total Current Assets	4,837	8,275	8,821	9,688
Current Liabilities				
Trade Payables	3,160	5,765	5,629	3,826
Other Current Liabilities and Short Term Provisions	1,236	1,649	1,691	2,974
Total Current Liabilities	4,396	7,414	7,320	6,801
Working Capital Gap	441	861	1,501	2,887
Funding Pattern:				

Particulars	Fiscal 2021-22 (Restated)	Fiscal 2022-23 (Restated)	Fiscal 2023-24 (Restated)	Period ended September 30, 2024 (Restated)
Internal Accruals and Owned Fund	441	861	1,501	2,208
Funding Facilities from Bank and Others	-	-	-	679
Total Funding	441	861	1,501	2,887

Basis of estimation of working capital requirements

Our Company proposes to utilize ₹ 4,022 lakhs of the Net Proceeds for our working capital requirements. The entire amount will be utilized during Financial Year 2024-25 towards our Company's working capital requirements. The incremental and proposed working capital requirements, as approved by the Board pursuant to a resolution dated January 06, 2025 and key assumptions with respect to the determination of the same are mentioned below. Our Company's expected working capital requirements for Financial Year 2024-25 and the proposed funding of such working capital requirements are as set out in the table below:

Basis of estimation of working capital requirements

(₹ in lakhs)

Sr. No.	Particulars	Fiscal 2024-25 (Projected)
I.	Current Assets:	
1	Inventories	5,875
2	Trade Receivables	3,672
3	Short Term Loans and Advances	894
4	Other Current Assets	357
	Total Current Assets (A)	10,798
II.	Current Liabilities	
1	Trade Payables	2,754
2	Other Current Liabilities and Short Term Provisions	1,072
	Total Current Liabilities (B)	3,826
III.	Total Working Capital Gap (A – B)	6,972
IV.	Funding Pattern:	
1.	Internal Accruals	2,200
2.	Funding Facilities from Bank and Others*	750
3.	IPO	4,022
	Total Funding	6,972

*Our Company has obtained sanction limit of ₹ 1,000 lakhs from ICICI Bank on June 26, 2024. Our Peer-Review Auditor has, pursuant to a certificate dated January 15, 2025 certified the working capital requirements of our Company for the Fiscal 2025.

Holding Period level:

Sr. No.	Particulars	Fiscal 2021-22 (Restated)	Fiscal 2022-23 (Restated)	Fiscal 2023-24 (Restated)	Period ended Sep 30, 2024 (Restated)	Fiscal 2024-25 (Projected)
A.	Current Assets:					
1	Trade Receivables	23	72	68	78	75
2	Inventories	111	91	98	117	120
B.	Current Liabilities					
1	Trade Payables	105	179	221	133	75

Justification for holding period levels

Particulars	Details
Current Assets	
Inventories	Inventories consist of Raw Material, Work-in Progress and Finished Goods only. In Financial Year 2021-22, 2022-23 2023-24 and period ended September 30, 2024 our inventory holding days were 111 days, 91 days, 98 days and 117 days respectively. We are expecting slightly high level of periods of inventories to manage market demands and to avoid any supply chain disruptions. Company estimates inventories holding period to be 120 days for Financial Year 2024-25.
Trade Receivables	In Financial Year 2021-22, 2022-23 2023-24 and period ended September 30, 2024 our trade receivables were 23 days, 72 days, 68 days and 78 days respectively. For growth in business, revenue and profit, we need to thrive in competitive market. As our company deals with the customers PAN India wherein the fund gets deployed when customers receive the product and a credit period after that as per the industry practice. With the current trends in business, the holding level for debtor is expected to be 75 days for Financial Year 2024-25.
Short term loans & advances	The key items under this head are advance to suppliers, advances to employees and indirect tax receivable. Based on restated financials for Financial Year 2021-22, 2022-23 and 2023-24, Short term loans and advances are 2.67%, 5.46% and 7.30% of revenue respectively. For Financial Year 2024-25, 5.00% of Revenue is projected for short term loans & advances.
Other current assets	Our other current assets include interest accrued on fixed deposit, prepaid expense, duty script and insurance claim receivable. Based on Restated Financials for Financial Year 2021-22, 2022-23 and 2023-24, other current assets are 0.32% 14.46% and 14.44% of revenue respectively. For Financial Year 2024-25, 2.00% of Revenue is projected for other current assets.
Current Liabilities	
Trade Payables	In Financial 2021-22, 2022-23, 2023-24, and period ended September 30, 2024, our trades payable were 105 days, 179 days, 221 days and 133 days respectively. Our Company intends to improve our relations and ensure timely supply which will require us to have ready inventory and paying the Creditors in short period of time will enable us to avail various trade discounts and better margins. Accordingly, we estimate that the Trade Payables cycle of approximately 75 days for Financial Year 2024-25.
Other current liabilities and short-term provisions	Statutory tax dues payable, advance from debtors, creditors for capital expenditure & provision for tax and employee benefit expenses and warranties are included under this head. Based on restated financial for Financial Year 2021-22, 2022-23 and 2023-24, other current liabilities are 10.17%, 12.82% and 12.77% of Revenue respectively. For Financial Year 2024-25, 6.00% of Revenue is projected for other current liabilities.

3. General Corporate Purpose

Our management will have flexibility to deploy ₹1,784 lakhs, aggregating to 24.68% of the Gross Proceeds towards general corporate purposes, including but not restricted to strategic initiatives, partnerships, joint ventures and strategic entity/ business acquisitions, branding, marketing, new client referral fees meeting exigencies which our Company may face in the ordinary course of business, to renovate and refurbish certain of our existing Company owned/leased and operated facilities or premises, towards brand promotion activities or any other purposes as may be approved by our Board, subject to compliance with the necessary provisions of the Companies Act.

Our management, in accordance with the policies of the Board, will have flexibility in utilizing any amounts for general corporate purposes under the overall guidance and policies of our Board. The quantum of utilization of funds towards any of the purposes will be determined by the Board, based on the amount actually available under this head and the business requirements of our Company, from time to time.

We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further, we confirm that in terms of Regulation 230(2) of the SEBI ICDR Regulations, the extent of the Net Proceeds according to this Prospectus, proposed to be used for general corporate purposes, shall not exceed 25% of the amount raised by our Company through the Issue of Equity Shares.

ISSUE RELATED EXPENSES

The total estimated Issue Expenses are ₹ 453 lakhs, which is 6.27 % of the total Issue Size. The details of the Issue Expenses are tabulated below:

Sr. No.	Particulars	Amount (₹ in lakhs)	% of Total Expenses	% of Total Issue Size
1	Issue Management fees including fees and payment to other intermediaries such as Legal Advisors, Registrars and other out of pocket expenses.	383.69	84.70%	5.31%
2	Brokerage and Selling Commission ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾	25.31	5.59%	0.35%
3	Printing & Stationery, Advertisement, Marketing Expenses, Distribution, Postage, etc.	25.00	5.52%	0.35%
4	Stock Exchange Fees, Regulatory and other Expenses	19.00	4.19%	0.26%
Total		453.00	100.00%	6.27%

- 1) Selling commission payable to the SCSBs on the portion for Retail Individual Bidders and Non-Institutional Bidders, which are directly procured by the SCSBs would be as follows:

Portion for Retail Individual Bidders [#]	0.10 % of the Amount Allotted (plus GST)
Portion for Non-Institutional Bidders [#]	0.10 % of the Amount Allotted (plus GST)

[#]Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price.

No additional uploading/processing charges shall be payable by the Company to the SCSBs on the Bid cum Application Forms directly procured by them. The selling commission payable to the SCSBs will be determined on the basis of the bidding terminal ID as captured in the Bid book of BSE.

- 2) Processing fees payable to the SCSBs on the portion for Retail Individual Bidders and Non-Institutional Bidders, which are procured by the members of the Syndicate / sub-Syndicate / Registered Brokers / RTAs / CDPs and submitted to SCSBs for blocking, would be as follows.

Portion for Retail Individual Bidders [#]	₹ 10 per valid Bid cum Application Form (plus applicable taxes)
Portion for Non-Institutional Bidders [#]	₹ 10 per valid Bid cum Application Form (plus applicable taxes)

Notwithstanding anything contained above the total processing fee payable under this clause will not exceed ₹1 lakh (plus applicable taxes) and in case if the total processing fees exceeds ₹ 1 lakh (plus applicable taxes) then processing fees will be paid on pro-rata basis.

[#]based on valid Bid cum Application Forms.

- 3) Selling commission on the portion for Retail Individual Bidders and Non-Institutional Bidders, which are procured by members of the Syndicate (including their sub-Syndicate members), RTAs and CDPs would be as follows:

Portion for Retail Individual Bidders [#]	0.10 % of the Amount Allotted (plus GST)
Portion for Non-Institutional Bidders [#]	0.10 % of the Amount Allotted (plus GST)

[#]Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price.

- 4) Uploading charges payable to Members of the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs on the applications made by RIBs using 3-in-1 accounts and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking or using 3-in- 1 accounts, would be as follows: ₹10 plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs.

Bidding charges payable to the Registered Brokers, CRTAs/ CDPs on the portion for RIBs and Non-Institutional Bidders which are directly procured by the Registered Brokers or CRTAs or CDPs and submitted to SCSB for processing, would be as follows:

Portion for Retail Individual Bidders [#]	₹ 10 per valid Bid cum Application Form (plus applicable taxes)
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	<i>applicable taxes)</i>
<i>Portion for Non-Institutional Bidders[#]</i>	<i>₹ 10 per valid Bid cum Application Form (plus applicable taxes)</i>

Notwithstanding anything contained above the total processing fee payable under this clause will not exceed ₹1 lakh (plus applicable taxes) and in case if the total processing fees exceeds ₹ 1 lakh (plus applicable taxes) then processing fees will be paid on pro-rata basis.

[#]based on valid Bid cum Application Forms.

The Selling Commission payable to the Syndicate/ Sub-Syndicate Members will be determined on the basis of the application form number/ series, provided that the application is also bid by the respective Syndicate/ Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number/ series of a Syndicate/ Sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the SCSB and not the Syndicate/ Sub-Syndicate Member. Bidding Charges payable to members of the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs on the portion for RIBs and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking, would be as follows: ₹ 10 plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs.

Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022; applications made using the ASBA facility in initial public offerings shall be processed only after application monies are blocked in the bank accounts of investors (all categories). Accordingly, Syndicate / Sub-Syndicate Member shall not be able to accept Bid cum Application Form above ₹500,000 and the same Bid cum Application Form need to be submitted to SCSB for blocking of the fund and uploading on the exchange bidding platform. To identify bids submitted by Syndicate / Sub-Syndicate Member to SCSB a special Bid cum Application Form with a heading / watermark "Syndicate ASBA" may be used by Syndicate / Sub-Syndicate Member along with SM code & Broker code mentioned on the Bid cum Application Form to be eligible for brokerage on Allotment. However, such special forms, if used for RIB Bids and NIB Bids up to ₹500,000 will not be eligible for brokerage.

The processing fees for applications made by UPI Bidders 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/CIR/P/2021/570 dated June 2, 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 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

The Issue expenses shall be payable in accordance with the arrangements or agreements entered into by our Company with the respective Designated Intermediary.

Appraisal and Bridge Loans

Our Company has not raised any bridge loans from any bank or financial institution as of the date of this Prospectus, which are proposed to be repaid from the Net Proceeds. However, if the Company takes any loan prior to filing the Prospectus with the intention of repaying it from the issue proceeds, such loan shall be considered a bridge loan and shall be repaid from the Net Proceeds of the issue.

Year wise Deployment of Funds / Schedule of Implementation

As on the date of this Prospectus, no funds have been deployed on these objects. The entire Issue size is proposed to be deployed in the Financial Year 2024-25.

Monitoring of Utilization of Funds

Since the proceeds from the Issue do not exceed ₹10,000 lakhs, in terms of Regulation 262 of the SEBI ICDR regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee will monitor the utilisation of the proceeds of the Issue. Our Company will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilised Net Proceeds in the balance sheet of our Company for the relevant fiscals subsequent to receipt of listing and trading approvals from the Stock Exchange.

Pursuant to the SEBI Listing Regulations, our Company shall disclose to the Audit Committee of the Board of Directors the uses and applications of the Net Proceeds. Our Company shall prepare a statement of funds utilised for purposes other than those stated in this Prospectus and place it before the Audit Committee of the Board of Directors, as required under applicable law. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with the Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchange on a half yearly basis, a statement indicating (i) deviations, if any, in the utilisation of the proceeds of the Issue from the objects of the Issue as stated above; and (ii) details of category wise variations in the utilisation of the proceeds from the Issue from the objects of the Issue as stated above.

Interim Use of Funds

Pending utilization of the Net Proceeds for the purposes described above, our Company will deposit the Net Proceeds with scheduled commercial banks included in schedule II of the RBI Act. Our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any listed company or for any investment in the equity markets.

Variation in Objects

In accordance with Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Issue without our Company being authorised to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act. The notice in respect of such resolution to Shareholders shall simultaneously be published in the newspapers, one in English and one in regional language of the jurisdiction where our Registered Office is situated. The Shareholders who do not agree to the above stated proposal, our Promoter or controlling Shareholders will be required to provide an exit opportunity to such dissenting Shareholders, at a price as may be prescribed by SEBI, in this regard.

Other Confirmations / Payment to Promoter and Promoter's Group from the IPO Proceeds

There are no anticipated transactions in relation to utilization of Net Proceeds with our Promoters, Directors and Key Managerial Personnel. No part of the Net Proceeds will be paid by our Company as consideration to our Promoter, our Board of Directors, our Key Management Personnel or Enterprise in which our KMP's has significant influence except in the normal course of business in compliance with applicable law.

BASIS OF ISSUE PRICE

The Price Band, Floor Price and Offer Price have been determined by our Company in consultation with the Book Running Lead Manager, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of the qualitative factors and quantitative described below. Investors should read the following basis with the sections titled “Risk Factors”, “Financial Information” and the chapter titled “Our Business” beginning on page nos. 23, 154 and 97 respectively, of this 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. State of Art manufacturing facilities
2. Well educated and experienced team of Professionals
3. Long-term relation with our customers
4. In-house Research and Development team
5. Providing critical business solution and manufacturing customised products
6. Consistent track record of financial performance

For more details on qualitative factors, refer to chapter “Our Business” on page no 97 of this Prospectus.

Quantitative Factors

The information presented in this section is derived from our Restated Financial Statements. For more details on financial information, investors please refer the chapter titled “Financial Statements as Restated” on page no. 154 of this Prospectus.

Investors should evaluate our Company taking into consideration its earnings and based on its growth strategy. Some of the quantitative factors which may form the basis for computing the price are as follows:

1. Basic and Diluted Earnings / Loss Per Share (“EPS”)

Year ended March 31,	Basic & Diluted	
	EPS (in ₹)	Weights
2024	12.78	3
2023	0.95	2
2022	4.82	1
Weighted Average	7.51	
September 30, 2024*	6.05	

*Not Annualised

Notes:

- a. Basic EPS has been calculated as per the following formula:

$$\text{Basic EPS (₹)} = \frac{\text{Net profit/ (loss) as restated, attributable to Equity Shareholders}}{\text{Weighted average number of Equity Shares outstanding during the year/period}}$$

- b. Diluted EPS has been calculated as per the following formula

$$\text{Diluted EPS (₹)} = \frac{\text{Net profit/ (loss) as restated, attributable to Equity Shareholders}}{\text{Diluted Weighted average number of Equity Shares outstanding during the year/period}}$$

- c. Basic and Diluted EPS calculations are in accordance with Accounting Standard 20 “Earnings per Share”, notified under section 133 of Companies Act, 2013 read together with paragraph 7 of Companies (Accounting) Rules, 2014.
- d. The above statement should be read in conjunction with Significant Accounting Policies and Notes to Restated Financial Statements as appearing in “Annexure IV & V - Financial Information” beginning on page no. 154 Prospectus.

2. Price Earnings Ratio (“P/E”) in relation to the Issue Price of ₹ 250/- per share of ₹ 10 each

Particulars	P/E
P/E ratio based on Basic and Diluted EPS as at March 31, 2024	19.56
P/E ratio based on Weighted Average EPS	33.29

Industry P/E

Particulars	P/E
Highest P/E	42.87
Lowest P/E	29.01
Industry Average	36.35

Notes

The industry high and low has been considered from the industry peer set provided later in this section. The industry average has been calculated as the average P/E of the industry peer set disclosed in this section.

The industry P / E ratio mentioned above is as per the closing rate as on January 06, 2025 quoted on BSE.

All the financial information for listed industry peers is sourced from the audited financial statements of the relevant companies for Fiscal 2024, as available on the websites of the Stock Exchanges.

3. Return on Net worth (RoNW)

Year ended March 31,	RoNW (%) ⁽¹⁾	Weight
2024	73.19%	3
2023	20.33%	2
2022	127.49%	1
Weighted Average	64.62%	
September 30, 2024*	25.74%	

(1) Based on Restated Financials of our Company

* Not Annualised

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

$$\text{RoNW} = \frac{\text{Net profit/loss after tax, as restated}}{\text{Net worth excluding preference share capital and revaluation reserve}}$$

4. Net Asset Value (NAV) per share at the end of the year

Financial Year	NAV (₹)
NAV as at September 30, 2024	23.51
NAV after Issue	85.58
Issue Price (₹)	250.00

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

$$\text{NAV} = \frac{\text{Net worth excluding preference share capital and revaluation reserve}}{\text{Outstanding number of Equity shares at the end of the year}}$$

5. Key Performance Indicators

All the KPIs disclosed below have been approved by a resolution of our Audit Committee dated December 06, 2024 and the Audit Committee has confirmed that it has verified and audited details of all the KPIs pertaining to the Company that have been disclosed to earlier investors at any point of time during the period ended September 30,

2024 and three years period prior to the date of filing of this Prospectus, if any. During the three years period prior to the date of filing of this Prospectus, no fresh allotment was made except for issuance of equity shares on bonus issue and preferential issue as disclosed in this section and section entitled “Capital Structure” on page 62 of this Prospectus.

(Rs. in lakhs)

Particulars	September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from Operations	7,482.78	13,270.86	12,881.94	12,168.96
EBITDA before exceptional item	1,061.41	1,866.86	1,337.31	635.62
EBITDA Margin before exceptional item	14.18%	14.07%	10.38%	5.22%
EBITDA ⁽¹⁾	1,061.41	1,866.86	667.70	635.62
EBITDA Margin (%) ⁽²⁾	14.18%	14.07%	5.18%	5.22%
Restated profit for the period / year	463.65	978.85	72.87	364.13
Restated profit for the period / year Margin (%) ⁽³⁾	6.20%	7.38%	0.57%	2.99%
Return on Average Equity ("RoAE") (%) ⁽⁴⁾	29.55%	115.44%	22.63%	254.97%
Return on Capital Employed ("RoCE") (%) ⁽⁵⁾	40.06%	91.55%	25.21%	175.47%
Net Debt / EBITDA Ratio	0.49	N.A	N.A	N.A

*Not Annualised

N.A i.e Not Applicable is used where is there no debt outstanding at the year end.

Notes:

(1) EBITDA is calculated as restated profit for the period / year plus tax expense plus depreciation and amortization plus finance costs plus exceptional items.

(2) EBITDA Margin is calculated as EBITDA divided by revenue from operations.

(3) Restated profit for the period / year margin is calculated as restated profit for the period / year divided by revenue from operations.

(4) RoAE is calculated as Net profit after tax divided by Average Equity.

(5) RoCE is calculated as Earnings before interest and taxes (EBIT) divided by Capital Employed.

(6) Net Debt / EBITDA Ratio is calculated as Net Debt divided by EBITDA.

Explanation for the Key Performance Indicators

Revenue from operations: Revenue from operations represents the total turnover of the business as well as provides information regarding the year over year growth of our Company.

EBITDA: EBITDA is calculated as Restated profit / loss for the period plus tax expense plus depreciation and amortization plus finance costs and any exceptional items. EBITDA provides information regarding the operational efficiency of the business of our Company.

EBITDA margin: EBITDA Margin the percentage of EBITDA divided by revenue from operations and is an indicator of the operational profitability of our business before interest, depreciation, amortization, and taxes.

Restated profit for the period / year: Restated profit for the period / year represents the profit / loss that our Company makes for the financial year or during the a given period. It provides information regarding the profitability of the business of our Company.

Restated profit for the period / year margin: Restated profit for the period / year Margin is the ratio of Restated profit for the period / year to the total revenue of the Company. It provides information regarding the profitability of the business of our Company as well as to compare against the historical performance of our business.

Return on Average Equity ("RoAE"): RoAE refers to Restated profit for the period / year divided by Average Equity for the period. Average Equity is calculated as average of the total equity at the beginning and ending of the period. RoAE is an indicator of our Company's efficiency as it measures our Company's profitability. RoAE is indicative of the profit generation by our Company against the equity contribution.

Return on Capital Employed (“RoCE”): RoCE is calculated as Earnings before interest and taxes (EBIT) divided by Capital Employed by the Company for the period. RoCE is an indicator of our Company’s efficiency as it measures our Company’s profitability. RoCE is indicative of the profit generation by our Company against the capital employed.

Net Debt/ EBITDA: Net Debt to EBITDA is a measurement of leverage, calculated as a company’s borrowings minus cash or cash equivalents, divided by its EBITDA. It shows how many years it would take for a company to pay back its debt if net debt and EBITDA are held constant.

6. Comparison of Key Performance Indicators with Listed Industry Peers for Fiscal 2024

(Rs. in lakhs)

Particulars	CLN Energy Limited	Eveready Industries India Limited	Panasonic Energy India Co. Limited	High Energy Batteries (India) Limited	Indo National Limited
Revenue from Operations	7,482.78	1,31,427.76	29,242.13	7,722.51	64,060.25
EBITDA	1,061.41	14,321.91	1,933.96	2,604.71	5,080.96
EBITDA Margin (%)	14.18%	10.90%	6.61%	33.73%	7.93%
Restated profit for the year	463.65	6,676.94	1,164.35	1,715.87	1,463.84
Restated profit for the year Margin (%)	6.20%	5.08%	3.98%	22.22%	2.29%
Return on Average Equity (“RoAE”) (%)	29.55%	18.91%	11.97%	21.29%	6.26%
Return on Capital Employed (“RoCE”) (%)	40.06%	16.81%	15.19%	26.16%	8.46%
Net Debt / EBITDA Ratio	0.49	1.94	N.A	0.16	2.73

Notes: All the financial information for listed industry peers is sourced from the Audited Consolidated Financial Statements of the relevant companies for Fiscal 2024, as available on the websites of the Stock Exchanges. Definition and explanation of each indicator has been explained above in point 5 of this section.

7. Comparison with Industry Peers

Peer Group Comparison of Accounting Ratios:

Particulars	CMP*	EPS (₹)	PE Ratio	RONW (%)	NAV per share (₹)	Face Value (₹)	Revenue from Operations (₹ in Lakhs)
		Basic/ Diluted	Basic/ Diluted				
CLN Energy Limited ⁽¹⁾	250.00	12.78	19.56	73.19%	39.28	10.00	13,270.87
Peer Group **							
Eveready Industries India Limited	381.65	9.18	41.57	17.26%	53.21	5.00	1,31,427.76
Panasonic Energy India Co. Limited	450.20	15.52	29.01	11.33%	137.03	10.00	29,242.13
High Energy Batteries (India) Limited	611.40	19.14	31.94	19.56%	97.84	2.00	7,772.51
Indo National Limited	550.05	12.83	42.87	6.20%	314.91	5.00	64,060.25

* CMP for our Company shall be considered as Issue Price

**Source: www.bseindia.com

Notes:

- (i) The figures of CLN Energy Limited (Formerly known as JLNPhenix Energy Private Limited) are based on Restated Financial Statements for the year ended March 31, 2024.
- (ii) Current Market Price (CMP) is the closing price of peer group scripts as on January 06, 2025.
- (iii) The figures for the peer group are based on the Consolidated Audited Financials for the year ended March 31, 2024.

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

- a) There has been no issuance of Equity Shares during the 18 months preceding the date of this Prospectus (other than Bonus Issue), where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the 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 30 days.
- b) There have been no secondary sales / acquisitions of Equity Shares or any convertible securities (where promoter / promoter group entities or shareholder(s) selling shares through offer for sale in IPO or shareholder(s) having the right to nominate director(s) in the Board of the Issuer Company are a party to the transaction) equivalent to or exceeding 5% of the fully diluted paid-up share capital of the Company (calculated on the date of completion of the sale), whether in a single transaction or a group of transactions during the 18 months preceding the date of the Prospectus.
- c) Weighted Average Cost of Acquisition (WACA) based on primary / secondary transactions (secondary transactions where by promoter / promoter group entities or shareholder(s) selling shares through offer for sale in IPO or shareholder(s) having the right to nominate director(s) in the Board of the Issuer Company are a party to the transaction) during the 3 years preceding the date of this Prospectus (irrespective of the size of transactions) is given below:

Past Transactions	WACA	IPO Floor Price - ₹235	IPO Cap Price - ₹250
WACA of Primary issuance	NA*	NA	NA
WACA of Secondary transactions	1.48**	158.78	168.92

* No Primary issuance of securities (except 2 bonus issues done during the 3 years preceding the date of this Prospectus).

** Adjusted for corporate actions i.e 2 bonus issue done during the 3 years preceding the date of this Prospectus.

- 9. The Company in consultation with the Lead Manager believes that the Issue price of ₹ 250 per share for the Public Issue is justified in view of the above parameters. The investors may also want to peruse the Risk Factors and Financials of the Company including important profitability and return ratios, as set out in the Financial Statements included in this 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 25 times of the face value i.e. ₹ 10 per share.

STATEMENT OF TAX BENEFITS

To,
The Board of Directors,
CLN Energy Limited
(Formerly known as JLNPhenix Energy Private Limited)
Plot-18, Sector-140, Phase-2, Nepz Post Office,
Gautam Buddha Nagar, Dadri, 201305, Uttar Pradesh, India.

Dear Sir,

Sub: Statement of Possible Special Tax Benefits available to CLN Energy Limited and its shareholders prepared in accordance with Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI Regulations”) and the Companies Act, 2013, as amended (the “Act”).

We hereby report that the accompanying Statement states the possible special tax benefits available to the Company and shareholders of the Company (here in after referred to as “**the Statement**”) under the Income Tax Act, 1961 (read with Income Tax Rules, circulars, notifications) presently in force in India (together referred to as the “**Direct Tax Laws**”), the Goods and Service Tax laws & Customs Act, 1962 (read with rules, circulars, notifications) presently in force in India (together referred to as the “**Indirect Tax Laws**”).

These possible special tax benefits are dependent on the Company and/ or the Company’s shareholders fulfilling the conditions prescribed under relevant Direct Tax Laws, Indirect Tax Laws and other laws. Hence, the ability of the Company or the Company’s shareholders to derive these possible special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company or the Company’s shareholders may or may not choose to fulfill. The Company does not have any subsidiary as on date of the Prospectus.

The benefits discussed in the enclosed Statement are not exhaustive and only cover the possible special direct and indirect tax benefits available to the Company and the Company’s shareholders. The Statement is neither designed nor intended to be a substitute for professional tax advice and 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 of 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 possible special tax benefits in future; or
- b) the conditions prescribed for availing the possible special tax benefits, where applicable, have been/would be met with; and

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

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 change from time to time. We do not assume responsibility to update the views consequent to such changes.

We conducted our examination in accordance with the “Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)” (“**Guidance Note**”) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We hereby give consent to include this Statement in the Prospectus in connection with the proposed initial public offering of the Company.

Yours faithfully,

For M/s. D G M S & CO.

Chartered Accountants

Firm's Registration No.: 0112187W

SD/-

Hiren Jayantilal Maru

Proprietor

Membership No. 115279

Date: December 06, 2024

Place: Mumbai

UDIN: 24115279BKBWVN4901

ANNEXURE TO THE STATEMENT OF TAX BENEFITS

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND COMPANY'S SHAREHOLDERS.

Outlined below are the possible special tax benefits available to **CLN Energy Limited** ("the Company") and to its Shareholders under the Direct and Indirect Tax Laws in force in India.

A. SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY

1. Direct Tax

There are no special direct tax benefits available to the Company.

2. Indirect Tax

There are no special indirect tax benefits available to the Company.

B. SPECIAL TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS OF THE COMPANY

1. Direct Tax

There are no special direct tax benefits available to the Shareholders of the Company.

2. Indirect Tax

There are no special indirect tax benefits available

SECTION VI – ABOUT OUR COMPANY

INDUSTRY OVERVIEW

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications, publicly available documents and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. You should read the entire Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Statements” and related notes beginning on page nos 22 and 168 this Prospectus

GLOBAL ECONOMIC OVERVIEW

The baseline forecast is for the world economy to continue growing at 3.2 percent during 2024 and 2025, at the same pace as in 2023. A slight acceleration for advanced economies where growth is expected to rise from 1.6 percent in 2023 to 1.7 percent in 2024 and 1.8 percent in 2025 will be offset by a modest slowdown in emerging market and developing economies from 4.3 percent in 2023 to 4.2 percent in both 2024 and 2025. The forecast for global growth five years from now at 3.1 percent's is at its lowest in decades. Global inflation is forecast to decline steadily, from 6.8 percent in 2023 to 5.9 percent in 2024 and 4.5 percent in 2025, with advanced economies returning to their inflation targets sooner than emerging market and developing economies. Core inflation is generally projected to decline more gradually.

Global Outlook: Stable but Slow

Global growth, estimated at 3.2 percent in 2023, is projected to continue at the same pace in 2024 and 2025. The projection for 2024 is revised up by 0.1 percentage point from the January 2024 WEO *Update*, and by 0.3 percentage point with respect to the October 2023 WEO forecast. Nevertheless, the projection for global growth in 2024 and 2025 is below the historical (2000–19) annual average of 3.8 percent, reflecting restrictive monetary policies and withdrawal of fiscal support, as well as low underlying productivity growth. Advanced economies are expected to see growth rise slightly, with the increase mainly reflecting a recovery in the euro area from low growth in 2023, whereas emerging market and developing economies are expected to experience stable growth through 2024 and 2025, with regional differences.

Disinflation amid Economic Resilience

Economic activity was surprisingly resilient during the global disinflation of 2022–23. Growth in employment and incomes has held steady as favorable demand and supply developments have supported major economies, despite rising central bank interest rates aimed at restoring price stability. As inflation converges toward target levels and central banks pivot toward policy easing, a tightening of fiscal policies aimed at curbing high government debt levels, with higher taxes and lower government spending, is expected to weigh on growth. The pace of expansion is also expected to remain low by historical standards as a result of factors including the long-term consequences of the COVID-19 pandemic, Russia's invasion of Ukraine, weak growth in productivity, and increasing geoeconomic fragmentation.

In late 2023, headline inflation neared its pre pandemic level in most economies for the first time since the start of the global inflation surge. In the last quarter of 2023, headline inflation for advanced economies was 2.3 percent on a quarter-over-quarter annualized basis, down from a peak of 9.5 percent in the second quarter of 2022. For emerging market and developing economies, inflation was 9.9 percent in the last quarter of 2023, down from a peak of 13.7 percent in the first quarter of 2022, but this average was driven by high inflation in a few countries; for the median emerging market and developing economy, inflation declined to 3.9 percent. This progress notwithstanding, inflation is not yet at target in most economies.

(Source: <https://www.imf.org/en/Publications/WEO/Issues/2024/04/16/world-economic-outlook-april-2024>)

World Economic Outlook Growth Projections

(Real GDP, annual percent change)	PROJECTIONS		
	2023	2024	2025
World Output	3.2	3.2	3.2
Advanced Economies	1.6	1.7	1.8
United States	2.5	2.7	1.9
Euro Area	0.4	0.8	1.5
Germany	-0.3	0.2	1.3
France	0.9	0.7	1.4
Italy	0.9	0.7	0.7
Spain	2.5	1.9	2.1
Japan	1.9	0.9	1.0
United Kingdom	0.1	0.5	1.5
Canada	1.1	1.2	2.3
Other Advanced Economies	1.8	2.0	2.4
Emerging Market and Developing Economies	4.3	4.2	4.2
Emerging and Developing Asia	5.6	5.2	4.9
China	5.2	4.6	4.1
India	7.8	6.8	6.5
Emerging and Developing Europe	3.2	3.1	2.8
Russia	3.6	3.2	1.8
Latin America and the Caribbean	2.3	2.0	2.5
Brazil	2.9	2.2	2.1
Mexico	3.2	2.4	1.4
Middle East and Central Asia	2.0	2.8	4.2
Saudi Arabia	-0.8	2.6	6.0
Sub-Saharan Africa	3.4	3.8	4.0
Nigeria	2.9	3.3	3.0
South Africa	0.6	0.9	1.2
Memorandum			
Emerging Market and Middle-Income Economies	4.4	4.1	4.1
Low-Income Developing Countries	4.0	4.7	5.2

Source: IMF, *World Economic Outlook*, April 2024

Note: For India, data and forecasts are presented on a fiscal year basis, with FY 2023/24 (starting in April 2023) shown in the 2023 column. India's growth projections are 6.9 percent in 2024 and 6.5 percent in 2025 based on calendar year.

INTERNATIONAL MONETARY FUND

IMF.org

INDIAN ECONOMIC OVERVIEW

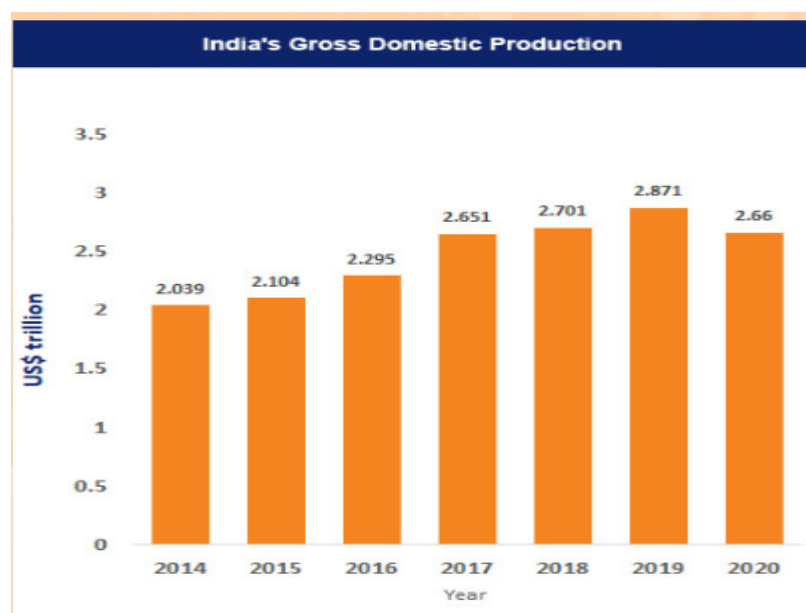
Strong economic growth in the first quarter of FY23 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. Nominal GDP or GDP at Current Prices for Q1 2024-25 is estimated at Rs. 77.31 lakh crores (US\$ 928.9 billion) with growth rate of 9.7%, compared to the growth of 8.5% for Q1 2023-24. The growth in nominal GDP during 2023-24 is estimated at 9.6% as compared to 14.2% in 2022-23. Strong domestic demand for consumption and investment, along with Government's continued emphasis on capital expenditure are seen as among the key driver of the GDP in the second half of FY24. During the period April-September 2025, India's exports stood at US\$ 211.46 billion, with Engineering Goods (26.57%), Petroleum Products (16.51%) and electronic goods (7.39%) being the top three exported commodity. Rising employment and increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalisation of the tariff structure, and the digitization of tax filing. In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers. The contact-based services sector has demonstrated promise to boost growth by unleashing the pent-up demand. The sector's success is being captured by a number of HFIs (High-Frequency Indicators) that are performing well, indicating the beginnings of a comeback.

India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

India's appeal as a destination for investments has grown stronger and more sustainable because of the current period of global unpredictability and volatility, and the record amounts of money raised by India-focused funds in 2022 are evidence of investor faith in the "Invest in India" narrative.

Market Size



Real GDP or GDP at Constant (2011-12) Prices for the period Q1 2024-25 is estimated at Rs. 43.64 lakh crore (US\$ 524 billion), against the First Revised Estimates (FRE) of GDP for the year Q1 2023-24 of Rs. 40.91 lakh crore (US\$ 491 billion). The growth in real GDP during 2023-24 is estimated at 8.2% as compared to 7.0% in 2022-23. There are 113 unicorn startups in India, with a combined valuation of over US\$ 350 billion. As many as 14 tech startups are expected to list in 2024 Fintech sector poised to generate the largest number of future unicorns in India. With India presently has the third-largest unicorn base in the world. The government is also focusing on renewable sources by achieving 40% of its energy from non-fossil sources by 2030. India is committed to achieving the country's ambition of Net Zero Emissions by 2070 through a five-pronged strategy, 'Panchamrit'. Moreover, India ranked 3rd in the renewable energy country attractive index.

According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 to 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between same time periods. India's current account deficit (CAD) narrowed to 0.7% of GDP in FY24. The CAD stood at US\$ 9.7 billion for the Q1 2024-25 from US\$ 8.9 billion in Q1 2023-24 or 1.1% of GDP. This was largely due to decrease in merchandise trade deficit.

Exports fared remarkably well during the pandemic and aided recovery when all other growth engines were losing steam in terms of their contribution to GDP. Going forward, the contribution of merchandise exports may waver as several of India's trade partners witness an economic slowdown. According to Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles Mr. Piyush Goyal, Indian exports are expected to reach US\$ 1 trillion by 2030.

RECENT DEVELOPMENTS

India is primarily a domestic demand-driven economy, with consumption and investments contributing to 70% of the economic activity. With an improvement in the economic scenario and the Indian economy recovering from the Covid-19 pandemic shock, several investments and developments have been made across various sectors of the economy. According to World Bank, India must continue to priorities lowering inequality while also putting growth-oriented policies into place to boost the economy. In view of this, there have been some developments that have taken place in the recent past. Some of them are mentioned below.

- According to HSBC Flash India PMI report, business activity surged in April to its highest level in about 14 years as well as sustained robust demand. The composite index reached 62.2, indicating continuous expansion since August 2021, alongside positive job growth and decreased input inflation, affirming India's status as the fastest-growing major economy.
- As of October 11, 2024, India's foreign exchange reserves stood at US\$ 690.43 billion.
- In 1H 2024, India saw a total of US\$ 31.5 billion in PE-VC investments.
- India secured 39th position out of 133 economies in the Global Innovation Index 2024. India rose from 81st position in 2015 to 39th position in 2024. India ranks 3rd position in the global number of scientific publications.
- In September 2024, the gross Goods and Services Tax (GST) stood at highest monthly revenue collection at Rs. 1.73 lakh crore (US\$ 20.83 billion).
- Between April 2000–June 2024, cumulative FDI equity inflows to India stood at US\$ 1,013.45 billion.
- In August 2024, the overall IIP (Index of Industrial Production) stood at 145.6. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 125.1, 147.1 and 219.3, respectively.
- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) based retail inflation reached 5.49% (Provisional) for September 2024.
- Foreign Institutional Investors (FII) inflows between April-July (2023-24) were close to Rs. 80,500 crore (US\$ 9.67 billion), while Domestic Institutional Investors (DII) sold Rs. 4,500 crore (US\$ 540.56 million) in the same period. As per depository data, Foreign Portfolio Investors (FPIs) invested (US\$ 13.89 billion) in India during January- (up to 15th July) 2024.
- The wheat procurement during Rabi Marketing Season (RMS) 2024-25 (till May) was estimated to be 266 lakh metric tonnes (LMT) and the rice procured in Kharif Marketing Season (KMS) 2024-25 was 400 LMT.

GOVERNMENT INITIATIVES

Over the years, the Indian government has introduced many initiatives to strengthen the nation's economy. The Indian government has been effective in developing policies and programmes that are not only beneficial for citizens to improve their financial stability but also for the overall growth of the economy. Over recent decades, India's rapid economic growth has led to a substantial increase in its demand for exports. Besides this, a number of the government's flagship programmes, including Make in India, Start-up India, Digital India, the Smart City Mission, and the Atal Mission for Rejuvenation and Urban Transformation, is aimed at creating immense opportunities in India. In this regard, some of the initiatives taken by the government to improve the economic condition of the country are mentioned below:

- In July 2024, the Ministry of Finance held the Union Budget and announced that for 2024-25, the total receipts other than borrowings and the total expenditure are estimated at Rs. 32.07 lakh crore (US\$ 383.93 billion) and Rs. 48.21 lakh crore (US\$ 577.16 billion), respectively.
- In February 2024, the Finance Ministry announced the total expenditure in Interim 2024-25 estimated at Rs. 47,65,768 crore (US\$ 571.64 billion) of which total capital expenditure is Rs. 11,11,111 crore (US\$ 133.27 billion).
- On January 22, 2024, Prime Minister Mr. Narendra Modi announced the 'Pradhan Mantri Suryodaya Yojana'. Under this scheme, 1 crore households will receive rooftop solar installations.
- On September 17, 2023, Prime Minister Mr. Narendra Modi launched the Central Sector Scheme PM-VISHWAKARMA in New Delhi. The new scheme aims to provide recognition and comprehensive support to traditional artisans & craftsmen who work with their hands and basic tools. This initiative is designed to enhance the quality, scale, and reach of their products, as well as to integrate them with MSME value chains.
- On August 6, 2023, Amrit Bharat Station Scheme was launched to transform and revitalize 1309 railway stations across the nation. This scheme envisages development of stations on a continuous basis with a long-term vision.

- On June 28, 2023, the Ministry of Environment, Forests, and Climate Change introduced the ‘Draft Carbon Credit Trading Scheme, 2023’.
- From April 1, 2023, Foreign Trade Policy 2023 was unveiled to create an enabling ecosystem to support the philosophy of ‘Aatmanirbhar Bharat’ and ‘Local goes Global’.
- To enhance India’s manufacturing capabilities by increasing investment and production in the sector, the government of India has introduced the Production Linked Incentive Scheme (PLI) for Pharmaceuticals.
- Prime Minister’s Development Initiative for North-East Region (PM-DevINE) was announced in the Union Budget 2022-23 with a financial outlay of Rs. 1,500 crore (US\$ 182.35 million).
- Prime Minister Mr Narendra Modi has inaugurated a new food security scheme for providing free food grains to Antyodaya Ann Yojna (AAY) & Primary Household (PHH) beneficiaries, called Pradhan Mantri Garib Kalyan Ann Yojana (PMGKAY) from January 1, 2023.
- The Amrit Bharat Station scheme for Indian Railways envisages the development of stations on a continuous basis with a long-term vision, formulated on December 29, 2022, by the Ministry of Railways.
- On October 7, 2022, the Department for Promotion of Industry, and Internal Trade (DPIIT) launched Credit Guarantee Scheme for Start-ups (CGSS) aiming to provide credit guarantees up to a specified limit by start-ups, facilitated by Scheduled Commercial Banks, Non-Banking Financial Companies and Securities and Exchange Board of India (SEBI) registered Alternative Investment Funds (AIFs).
- Telecom Technology Development Fund (TTDF) Scheme was launched in October 2022 by the Universal Service Obligation Fund (USOF), a body under the Department of Telecommunications. The objective is to fund R&D in rural-specific communication technology applications and form synergies among academia, start-ups, research institutes, and the industry to build and develop the telecom ecosystem.
- Home & Cooperation Minister Mr. Amit Shah laid the foundation stone and performed Bhoomi Pujan of Tanot Mandir Complex Project under Border Tourism Development Programme in Jaisalmer in September 2022.
- In August 2022, Mr. Narendra Singh Tomar, Minister of Agriculture and Farmers Welfare inaugurated four new facilities at the Central Arid Zone Research Institute (CAZRI), which has been rendering excellent services for more than 60 years under the Indian Council of Agricultural Research (ICAR).
- In August 2022, a Special Food Processing Fund of Rs. 2,000 crore (US\$ 242.72 million) was set up with National Bank for Agriculture and Rural Development (NABARD) to provide affordable credit for investments in setting up Mega Food Parks (MFP) as well as processing units in the MFPs.
- In July 2022, Deendayal Port Authority (DPA) announced plans to develop two Mega Cargo Handling Terminals on a Build-Operate-Transfer (BOT) basis under Public-Private Partnership (PPP) Mode at an estimated cost of Rs. 5,963 crore (US\$ 747.64 million).
- In July 2022, the Union Cabinet chaired by Prime Minister Mr. Narendra Modi, approved the signing of the Memorandum of Understanding (MoU) between India & Maldives. This MoU will provide a platform to tap the benefits of information technology for court digitization and can be a potential growth area for IT companies and start-ups in both countries.
- India and Namibia entered a Memorandum of Understanding (MoU) on wildlife conservation and sustainable biodiversity utilization on July 20, 2022, for establishing the cheetah into the historical range in India.
- In July 2022, the Reserve Bank of India (RBI) approved international trade settlements in Indian rupees (Rs.) to promote the growth of global trade with emphasis on exports from India and to support the increasing interest of the global trading community.
- The Agnipath Scheme aims to develop a young and skilled armed force backed by an advanced warfare technology scheme by providing youth with an opportunity to serve Indian Army for a 4-year period. It is introduced by the Government of India on June 14, 2022.
- In June 2022, Prime Minister Mr. Narendra Modi inaugurated and laid the foundation stone of development projects worth Rs. 21,000 crore (US\$ 2.63 billion) at Gujarat Gaurav Abhiyan at Vadodara.
- Mr. Rajnath Singh, Minister of Defence, launched 75 newly developed Artificial Intelligence (AI) products/technologies during the first-ever ‘AI in Defence’ (AIDef) symposium and exhibition organized by the Ministry of Defence in New Delhi on July 11, 2022.
- In June 2022, Prime Minister Mr. Narendra Modi laid the foundation stone of 1,406 projects worth more than Rs. 80,000 crore (US\$ 10.01 billion) at the ground-breaking ceremony of the UP Investors Summit in Lucknow. The Projects encompass diverse sectors like Agriculture and Allied industries, IT and Electronics, MSME, Manufacturing, Renewable Energy, Pharma, Tourism, Defence & Aerospace, and Handloom & Textiles.
- The Indian Institute of Spices Research (IISR) under the Indian Council for Agricultural Research (ICAR) inked a Memorandum of Understanding (MoU) with Lysterra LLC, a Russia-based company for the commercialization of bio capsule, an encapsulation technology for bio-fertilization on June 30, 2022.

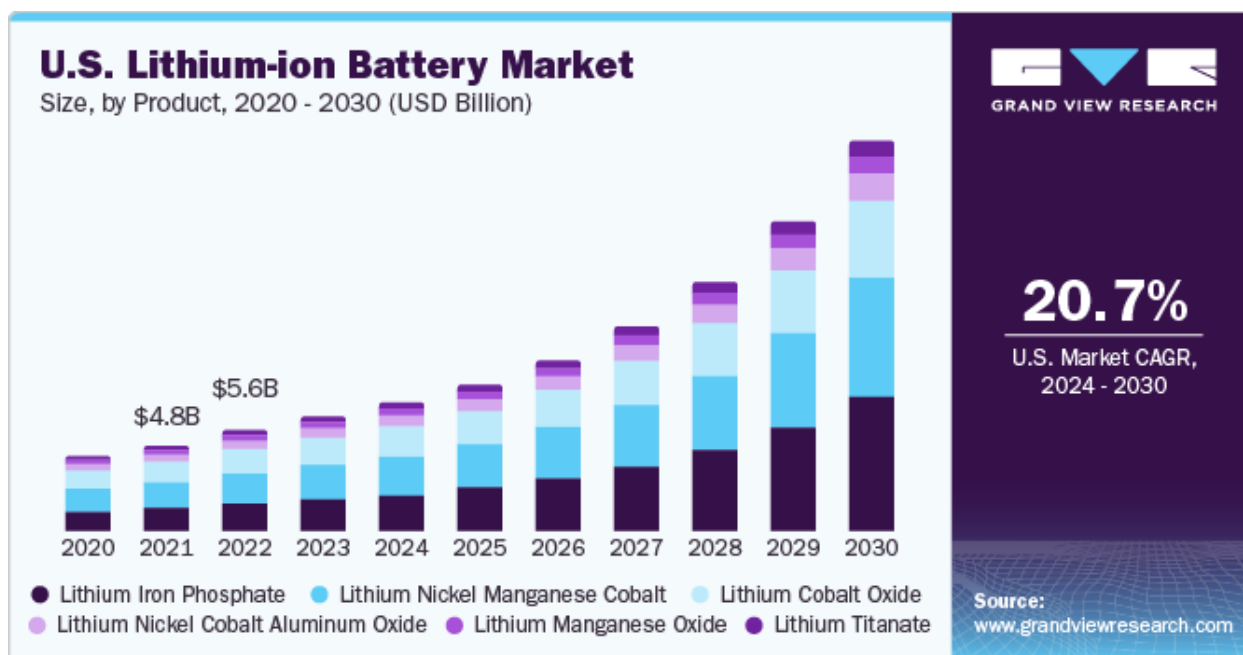
- As of April 2022, India signed 13 Free Trade Agreements (FTAs) with its trading partners including major trade agreements like the India-UAE Comprehensive Partnership Agreement (CEPA) and the India-Australia Economic Cooperation and Trade Agreement (IndAus ECTA).
- 'Mission Shakti' was applicable with effect from April 1, 2022, aimed at strengthening interventions for women's safety, security, and empowerment.
- The Union Budget of 2022-23 was presented on February 1, 2022, by the Minister for Finance & Corporate Affairs, Ms. Nirmala Sitharaman. The budget had four priorities PM GatiShakti, Inclusive Development, Productivity Enhancement and Investment, and Financing of Investments. In the Union Budget 2022-23, effective capital expenditure is expected to increase by 27% at Rs. 10.68 trillion (US\$ 142.93 billion) to boost the economy. This will be 4.1% of the total Gross Domestic Production (GDP).
- Strengthening of Pharmaceutical Industry (SPI) was launched in March 2022 by the Ministry of Chemicals & Fertilisers to provide credit linked capital and interest subsidy for Technology Upgradation of MSME units in pharmaceutical sector, as well as support of up to Rs. 20 crore (US\$ 2.4 million) each for common facilities including Research centre, testing labs and ETPs (Effluent Treatment Plant) in Pharma Clusters, to enhance the role of MSMEs.
- Under PM GatiShakti Master Plan, the National Highway Network will develop 25,000 km of new highways network, which will be worth Rs. 20,000 crore (US\$ 2.67 billion). In 2022-23. Increased government expenditure is expected to attract private investments, with a production-linked incentive scheme providing excellent opportunities. Consistently proactive, graded, and measured policy support is anticipated to boost the Indian economy.
- In February 2022, The Ministry of Social Justice & Empowerment launched the Scheme for Economic Empowerment of Denotified/Nomadic/SemiNomadic tribal communities (DNTs) (SEED) to provide basic facilities like good quality coaching, and health insurance. livelihoods initiative at a community level and financial assistance for the construction of houses.
- In February 2022, Minister for Finance and Corporate Affairs Ms. Nirmala Sitharaman said that productivity linked incentive (PLI) schemes would be extended to 14 sectors to achieve the mission of Aatmanirbhar Bharat and create 60 lakh jobs with an additional production capacity of Rs. 30 trillion (US\$ 401.49 billion) in the next five years.
- In the Union Budget of 2022-23, the government announced funding for the production-linked incentive (PLI) scheme for domestic solar cells and module manufacturing of Rs. 24,000 crore (US\$ 3.21 billion).
- In the Union Budget of 2022-23, the government announced a production-linked incentive (PLI) scheme for Bulk Drugs which was an investment of Rs. 2,500 crore (US\$ 334.60 million).
- In the Union Budget of 2022, Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced that a scheme for design-led manufacturing in 5G would be launched as part of the PLI scheme.
- In September 2021, Union Cabinet approved major reforms in the telecom sector, which are expected to boost employment, growth, competition, and consumer interests. Key reforms include rationalization of adjusted gross revenue, rationalization of bank guarantees (BGs), and encouragement of spectrum sharing.
- In the Union Budget of 2022-23, the government has allocated Rs. 44,720 crore (US\$ 5.98 billion) to Bharat Sanchar Nigam Limited (BSNL) for capital investments in the 4G spectrum.
- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman allocated Rs. 650 crore (US\$ 86.69 million) for the Deep Ocean mission that seeks to explore vast marine living and non-living resources. Department of Space (DoS) has got Rs. 13,700 crore (US\$ 1.83 billion) in 2022-23 for several key space missions like Gaganyaan, Chandrayaan-3, and Aditya L-1 (sun).
- In May 2021, the government approved the production-linked incentive (PLI) scheme for manufacturing advanced chemistry cell (ACC) batteries at an estimated outlay of Rs. 18,100 crore (US\$ 2.44 billion); this move is expected to attract domestic and foreign investments worth Rs. 45,000 crore (US\$ 6.07 billion).
- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced in the Union Budget of 2022-23 that the Reserve Bank of India (RBI) would issue Digital Rupee using blockchain and other technologies.
- In the Union Budget of 2022-23, Railway got an investment of Rs. 2.38 trillion (US\$ 31.88 billion) and over 400 new high-speed trains were announced. The concept of "One Station, One Product" was also introduced.
- To boost competitiveness, Budget 2022-23 has announced reforming the 16-year-old Special Economic Zone (SEZ) act.
- In June 2021, the RBI (Reserve Bank of India) announced that the investment limit for FPI (foreign portfolio investors) in the State Development Loans (SDLs) and government securities (G-secs) would persist unaffected at 2% and 6%, respectively, in FY22.
- In November 2020, the Government of India announced Rs. 2.65 trillion (US\$ 36 billion) stimulus package to generate job opportunities and provide liquidity support to various sectors such as tourism, aviation, construction, and housing. Also, India's cabinet approved the production-linked incentives (PLI) scheme to provide ~Rs. 2 trillion (US\$ 27 billion) over five years to create jobs and boost production in the country.

- Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India. Prime Minister of India Mr. Narendra Modi launched the Make in India initiative with an aim to boost the country's manufacturing sector and increase the purchasing power of the average Indian consumer, which would further drive demand and spur development, thus benefiting investors. The Government of India, under its Make in India initiative, is trying to boost the contribution made by the manufacturing sector with an aim to take it to 25% of the GDP from the current 17%. Besides, the government has also come up with the Digital India initiative, which focuses on three core components: the creation of digital infrastructure, delivering services digitally, and increasing digital literacy.
- On January 29, 2022, the National Asset Reconstruction Company Ltd (NARCL) will acquire bad loans worth up to Rs. 50,000 crore (US\$ 6.69 billion) about 15 accounts by March 31, 2022. India Debt Resolution Co. Ltd (IDRCL) will control the resolution process. This will clean up India's financial system, help fuel liquidity, and boost the Indian economy.
- National Bank for Financing Infrastructure and Development (NaBFID) is a bank that will provide non-recourse infrastructure financing and is expected to support projects from the first quarter of FY23; it is expected to raise Rs. 4 trillion (US\$ 53.58 billion) in the next three years.
- By November 1, 2021, India, and the United Kingdom hope to begin negotiations on a free trade agreement. The proposed FTA between these two countries is likely to unlock business opportunities and generate jobs. Both sides have renewed their commitment to boost trade in a manner that benefits all.
- In August 2021, Prime Minister Mr. Narendra Modi announced an initiative to start a national mission to reach the US\$ 400 billion merchandise export target by FY22.
- In August 2021, Prime Minister Mr. Narendra Modi launched a digital payment solution, e-RUPI, a contactless and cashless instrument for digital payments.
- In April 2021, Dr. Ahmed Abdul Rahman AlBanna, Ambassador of the UAE to India and Founding Patron of IFIICC, stated that trilateral trade between India, the UAE and Israel is expected to reach US\$ 110 billion by 2030.
- India is expected to attract investment of around US\$ 100 billion in developing the oil and gas infrastructure during 2019-23.
- The Government of India is expected to increase public health spending to 2.5% of the GDP by 2025.

(Source : <https://www.ibef.org/industry/manufacturing-sector-india>)

LITHIUM-ION BATTERY MARKET SIZE & TRENDS: GLOBAL OVERVIEW

The global lithium-ion battery market size was estimated at USD 54.4 billion in 2023 and is projected to register a compound annual growth rate (CAGR) of 20.3% from 2024 to 2030. Automotive sector is expected to witness significant growth owing to the low cost of lithium-ion batteries. Global registration of electric vehicles (EVs) is anticipated to increase significantly over the forecast period. The U.S. emerged as the largest market in North America in 2023. Increasing EV sales in the country owing to supportive federal policies coupled with the presence of several players in the U.S. market are expected to drive product demand. Federal policies include the American Recovery and Reinvestment Act of 2009, which established tax credits for purchasing electric vehicles.

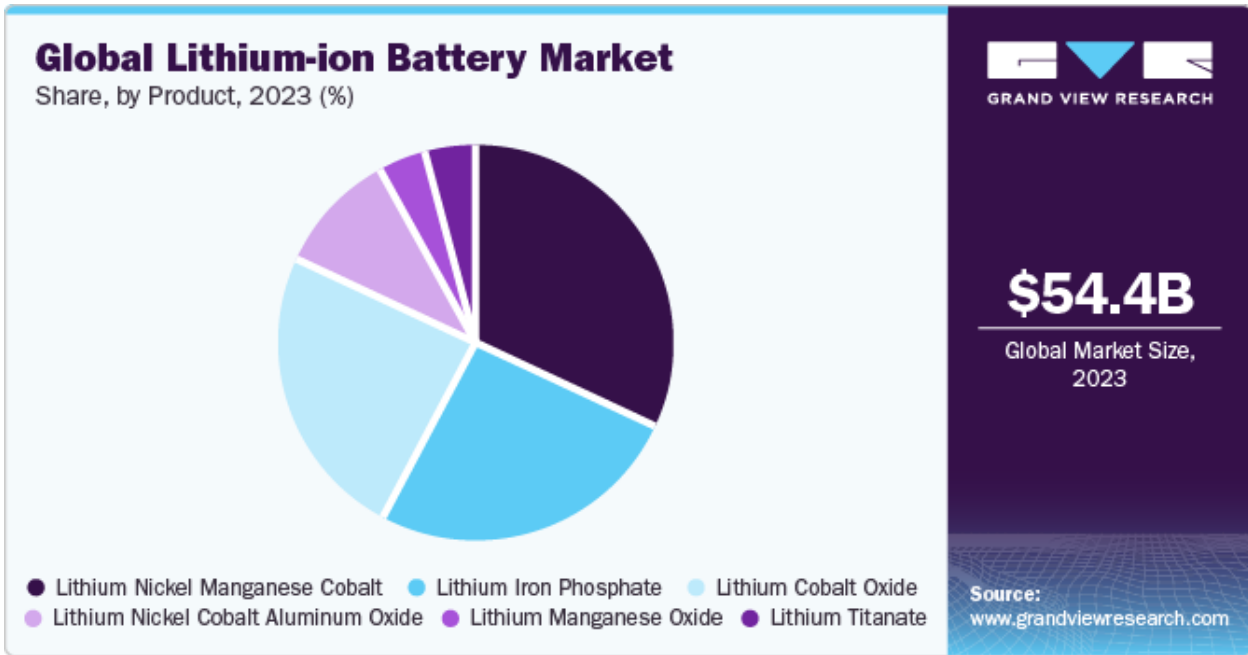


New Corporate Average Fuel Economy (CAFE) standards mandated fuel economy standards for passenger cars and Light Commercial Vehicles (LCVs) resulting in the expansion of electric drive technologies. Increasing product demand in smartphones owing to their extended shelf life and enhanced efficiency is expected to drive market growth. The increasing demand for EVs owing to growing consumer awareness about carbon emissions is expected to fuel market growth. A decline in the demand for lead-acid batteries, owing to EPA regulations on lead contamination and resulting environmental hazards coupled with regulations on lead-acid battery storage, disposal, and recycling, has led to an increase in the demand for Li-ion batteries in automobiles. Mexico has been a centre of the global automotive industry as companies worldwide are eyeing to invest here.

Mexico is the fourth-largest exporter in automotive industry, after Germany, Japan, and South Korea. Growing automobile production in the country is anticipated to drive product demand. The COVID-19 pandemic has been a major restraint to market growth owing to several factors including reduced operational cost by end-users, coupled with disruption in the availability of spare parts due to sluggish manufacturing activities and logistics issues. Battery providers have taken subsequent steps to ensure efficient services to end-users that have signed long-term contracts with them. Vendors are opting for digital tools and are following prescribed preventative measures including social distancing norms and the use of protective kits in case of an on-site inspection and repair services required by end-users on a case-to-case basis.

Application Insights

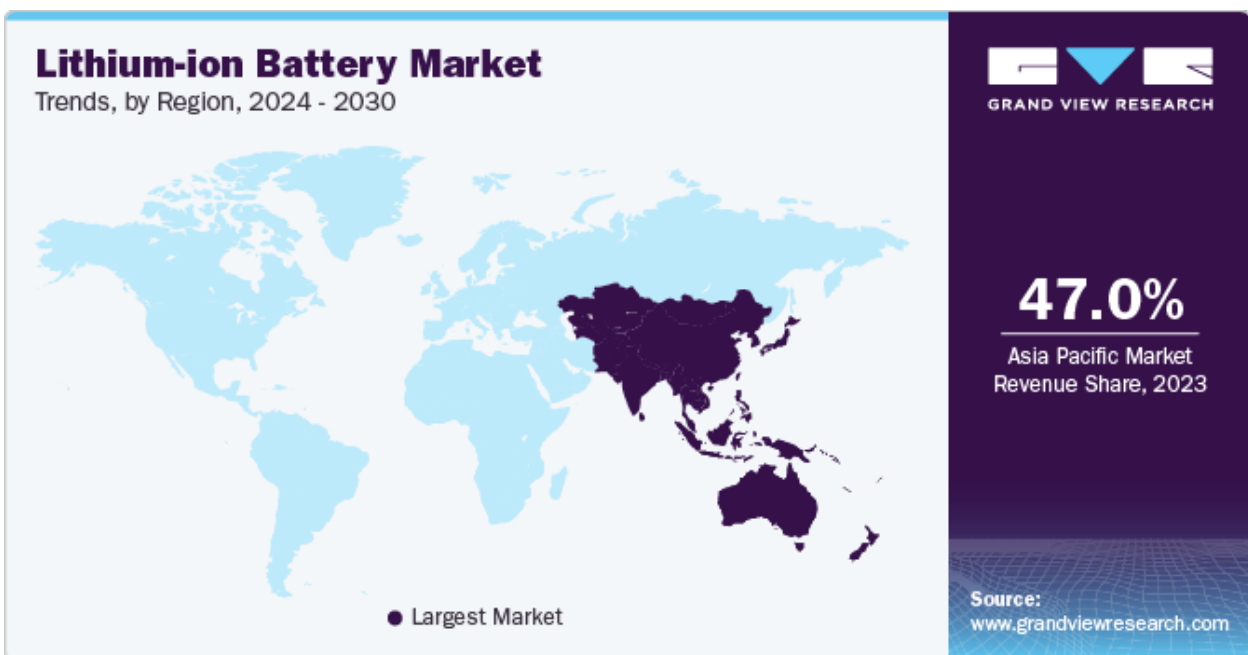
Based on applications, the market has been segmented into automotive, consumer electronics, industrial, medical devices, and energy storage systems. The consumer electronics segment led the market in 2023 and accounted for the largest revenue share of more than 31.0%. Portable batteries are incorporated in portable devices and consumer electronic products. Applications of portable batteries range from mobile phones, laptops, computers, tablets, torches or flashlights, LED lighting, vacuum cleaners, digital cameras, wristwatches, calculators, hearing aids, and other wearable devices. The electric & hybrid EV market is projected to be the fastest-growing application segment over the forecast period.



Growing awareness about the benefits of battery-operated vehicles and increasing fossil fuel prices, particularly in emerging regions like Asia Pacific, Europe, and North America, is projected to favor the segment growth. Li-ion batteries are also utilized for providing backup power supply for commercial buildings, data centers, and institutions. Also, lithium-ion battery is preferred for energy storage in residential solar PV systems. These factors will boost the growth of energy storage applications over the forecast period. Li-ion batteries are used in numerous industrial applications, such as power tools, cordless tools, marine equipment & machinery, agricultural machinery, industrial automation systems, aviation, military & defense, electronics, civil infrastructure, and oil & gas.

Regional Insights

Asia Pacific held the largest market share of over 47.0% in 2023. The market in Europe is expected to witness steady growth over the forecast period owing to the increasing use of li-ion batteries in various sectors including medical, aerospace & defense, automotive, energy storage, and data communication & telecom. The market in Germany is expected to witness steady growth over the forecast period owing to the increasing use of Li-ion batteries in energy storage systems, EVs, and consumer electronics.



Germany is the world's leading market for energy storage systems as well as the development of renewable energies. Rapidly growing market for electric vehicles in Asia Pacific countries, such as India and China, is one of the major factors that is positively influencing the demand for Li-ion batteries. Rise in environmental concerns in China have resulted in the ban on conventional fossil fuel-powered scooters from all its major cities to reduce emission, leading to an increase in the sales of e-scooters.

Market Dynamics

The increasing adoption of electric vehicles (EVs) is catalyzing a remarkable surge in the global lithium-ion battery industry. As governments and industries worldwide prioritize the transition toward sustainable and environment-friendly transportation, the demand for EVs has experienced a substantial upswing. Lithium-ion batteries, renowned for their high energy density and efficiency, have emerged as the cornerstone of this automotive revolution. These batteries power electric vehicles, providing them with the necessary range and performance to compete with traditional internal combustion engine vehicles.

Lithium-ion battery industry is consequently witnessing unprecedented growth, fueled by pivotal role these batteries play in addressing both environmental concerns and the need for reliable energy storage solutions in automotive sector. This trend is poised to reshape the energy landscape, with lithium-ion batteries at the forefront of powering a cleaner and more sustainable future for transportation.

Rising demand for substitutes, including sodium nickel chloride batteries, lithium-air flow batteries, lead acid batteries, and solid-state batteries, in electric vehicles, energy storage, and consumer electronics is expected to restrain the growth of the lithium-ion battery industry over the forecast period. Lithium-air refers to the usage of oxygen as an oxidizer rather than a material. Result is that batteries are five times cheaper and lighter than lithium-ion and can make phones and cars last five times longer.

Moreover, the rising demand for flow batteries is likely to restrain growth of lithium-ion battery industry over the forecast period. Demand for sodium-nickel-chloride batteries is growing because their components, such as aluminum oxide, sodium chloride, and nickel, are readily available in the market and are less expensive to manufacture compared to lithium-ion batteries, which again is expected to hamper its market growth.

Product Insights

Based on products, the industry has been segregated into Lithium Cobalt Oxide (LCO), Lithium Iron Phosphate (LFP), Lithium Nickel Cobalt Aluminium Oxide (NCA), Lithium Manganese Oxide (LMO), Lithium Titanate, and Lithium Nickel Manganese Cobalt (NMC). In terms of revenue, the LCO segment accounted for the largest market share of over 30.0% in 2023. High demand for LCO batteries in mobile phones, tablets, laptops, and cameras, on account of their high energy density and high safety level, is expected to augment segment growth over the forecast period. LFP batteries offer excellent safety and a long-life span to product.

Rising demand for lithium iron phosphate batteries in portable and stationary applications is expected to augment industry growth as they require high load currents and endurance. The rising demand for NCA on account of its high specific energy, specific power, and long-life span is expected to augment segment growth over the forecast period. NCA finds use in EV vehicles, medical devices, and industrial applications. Increasing consumption of lithium titanate in various applications including electric powertrains, streetlights, UPS, and solar-powered street lighting is likely to fuel segment growth over coming years. LTO offers various properties including safety, low-temperature performance, and high life-span, which is expected to increase its share over the forecast period.

(Source: <https://www.grandviewresearch.com/industry-analysis/lithium-ion-battery-market>)

MANUFACTURING SECTOR IN INDIA INDUSTRY REPORT

Manufacturing is emerging as an integral pillar in the country's economic growth, thanks to the performance of key sectors like automotive, engineering, chemicals, pharmaceuticals, and consumer durables. The Indian manufacturing industry generated 16-17% of India's GDP pre-pandemic and is projected to be one of the fastest growing sectors.

The machine tool industry was literally the nuts and bolts of the manufacturing industry in India. Today, technology has stimulated innovation with digital transformation a key aspect in gaining an edge in this highly competitive market.

Technology has today encouraged creativity, with digital transformation being a critical element in gaining an advantage in this increasingly competitive industry. The Indian manufacturing sector is steadily moving toward more automated and process-driven manufacturing, which is projected to improve efficiency and enhance productivity. India has the capacity to export goods worth US\$ 1 trillion by 2030 and is on the road to becoming a major global manufacturing hub.

With 17% of the nation's GDP and over 27.3 million workers, the manufacturing sector plays a significant role in the Indian economy. Through the implementation of different programmes and policies, the Indian government hopes to have 25% of the economy's output come from manufacturing by 2025.

India now has the physical and digital infrastructure to raise the share of the manufacturing sector in the economy and make a realistic bid to be an important player in global supply chains.

A globally competitive manufacturing sector is India's greatest potential to drive economic growth and job creation this decade. Due to factors like power growth, long-term employment prospects, and skill routes for millions of people, India has a significant potential to engage in international markets. Several factors contribute to their potential. First off, these value chains are well positioned to benefit from India's advantages in terms of raw materials, industrial expertise, and entrepreneurship.

Second, they can take advantage of four market opportunities: expanding exports, localising imports, internal demand, and contract manufacturing. With digital transformation being a crucial component in achieving an advantage in this fiercely competitive industry, technology has today sparked creativity. Manufacturing sector in India is gradually shifting to a more automated and process driven manufacturing which is expected to increase the efficiency and boost production of the manufacturing industry.

India is gradually progressing on the road to Industry 4.0 through the Government of India's initiatives like the National Manufacturing Policy which aims to increase the share of manufacturing in GDP to 25 percent by 2025 and the PLI scheme for manufacturing which was launched in 2022 to develop the core manufacturing sector at par with global manufacturing standards.

India is planning to offer incentives of up to Rs. 18,000 crore (US\$ 2.2 billion) to spur local manufacturing in six new sectors including chemicals, shipping containers, and inputs for vaccines.

India's mobile phone manufacturing industry anticipates creating 150,000 to 250,000 direct and indirect jobs within the next 12-16 months, driven by government incentives, and increased global demand. Major players like Apple and its contract manufacturers, along with Dixon Technologies, are expanding their workforce to meet growing production needs.

MARKET SIZE

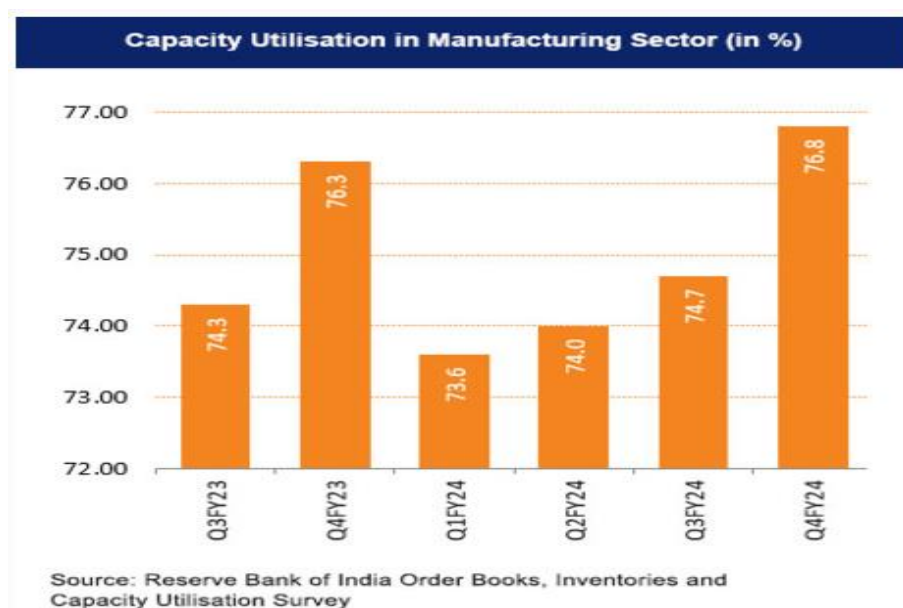
Manufacturing exports have registered their highest ever annual exports of US\$ 447.46 billion with 6.03% growth during FY23 surpassing the previous year (FY22) record exports of US\$ 422 billion. By 2030, Indian middle class is expected to have the second-largest share in global consumption at 17%.

India's gross value added (GVA) at current prices was estimated at US\$ 770.08 billion as per the quarterly estimates of the first quarter of FY24.

India's GDP surged by 8.4% in the October-December quarter, surpassing expectations. GDP growth was driven by robust performances in the manufacturing and construction sectors, with the manufacturing sector expanding by 11.6% annually and the construction sector growing by 9.5%.

India has potential to become a global manufacturing hub and by 2030, it can add more than US\$ 500 billion annually to the global economy. As per the economic survey reports, estimated employment in manufacturing sector in India was 5.7 crore in 2017-18, 6.12 crore in 2018-19 which was further increased to 6.24 crore in 2019-20. India's display panel market is estimated to grow from ~US\$ 7 billion in 2021 to US\$ 15 billion in 2025.

The manufacturing GVA at current prices was estimated at US\$ 110.48 billion in the first quarter of FY24



(Source: <https://www.ibef.org/industry/manufacturing-sector-india>)

LITHIUM-ION BATTERY (LIB) MANUFACTURING INDUSTRY IN INDIA

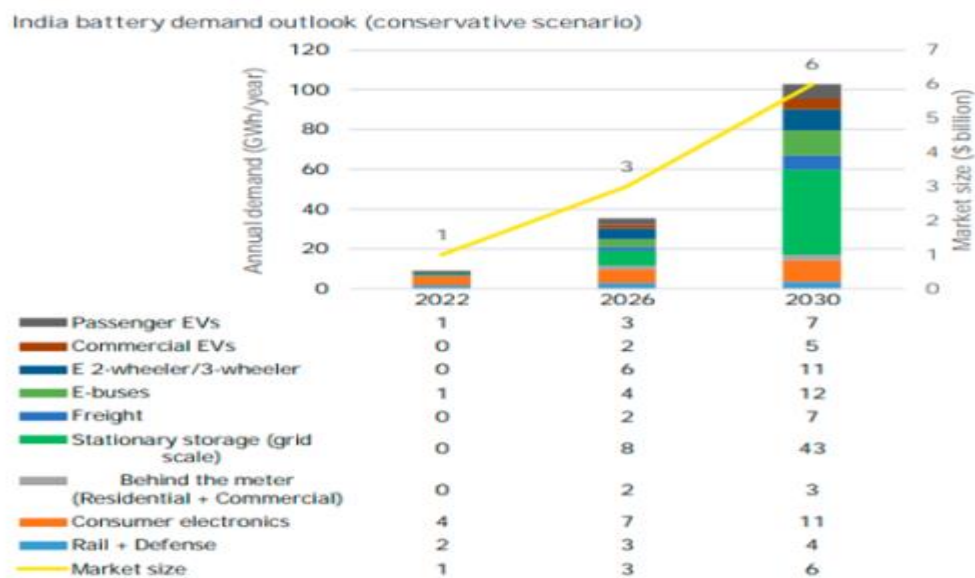
Energy storage technologies are predicted to play a major part in the decarbonization of the electricity and transport sectors, which accounted for 49% of India's total greenhouse gas emissions (CO₂ equivalent) in 2016. Among the several energy storage technologies available, lithium-ion batteries are anticipated to dominate the market during the upcoming decade (2021 onwards). Peak electricity demand would rise to 334 gigawatts (GW) by fiscal year 2030, with a total electricity generating need of 2,229 Billing units (BU). Thus, decarbonization of the electricity and transport industries is crucial to combating climate change. India unveiled its ambitious national goals for 2030 at the COP 26 UN Climate Change Conference, which include increasing its non-fossil energy capacity to 500 GW by 2030, obtaining 50% of its electricity needs from renewable sources by 2030, limiting projected carbon emissions by one billion tonnes, and lowering its economy's carbon intensity of its economy by less than 45% by 2030. In India, the lithium-ion battery business is anticipated to experience exponential growth over the next five years (2022 onwards), and the recycling market of these batteries is estimated to be nearly 22-23 GWh in 2030. The lithium-ion battery industry in India is predicted to grow from 2.9 gigawatt hour (GWh) in 2018 to about 132 GWh by 2030 (at a CAGR of 35.5%).

Advanced chemistry cell (ACC) batteries are the foundation of future low-carbon transportation and energy systems. With assistance from government initiatives on the supply and demand sides, India's domestic ACC battery manufacturing business is growing significantly. Critical minerals supply chains, including lithium, cobalt, nickel, and spherical graphite refining for active materials, are critical to achieving local value addition in the fabrication of ACC battery electrodes. The discovery of the country's first lithium reserve in Jammu and Kashmir, as well as another significant reserve in Degana, Rajasthan, opens up a major prospect for local lithium production. According to the Geological Survey of India (GSI) and mining officials, the lithium deposits in these reserves are large enough to supply nearly 80% of India's overall demand.

Lithium-ion battery (LIB) manufacturing industry

The cumulative demand for energy storage in India of 903 GWh by 2030, which is divided across many technologies such as lithium-ion batteries, redox flow batteries, and solid-state batteries. The lithium-ion battery market in India is expected to grow at a CAGR of 50% from 20 GWh in 2022 to 220 GWh by 2030. The current focus of Indian enterprises is on battery cell manufacture. However, as more cell manufacturing units are commissioned in India, the upstream process will most likely be the next priority area. These industries include graphite anode and cathode active material manufacture, as well as electrolyte, separator, and current collector manufacturing. These batteries are used in mobile phones, laptop computers, and other similar devices, and their shape and size vary depending on the application.

India can minimise its dependency on imports and assist in increasing resilience in global supply chains by localising the mining and refining value chain of essential minerals. India has joined the US-led Mineral Security Partnership (MSP) to help strengthen crucial mineral supply chains. The collaboration intends to speed up the establishment of varied and sustainable essential mineral supply chains. In addition, government-to-government (G2G) discussions for cooperative exploration and mining are progressing with friendly nations. The Indian government established KABIL to secure a steady supply of crucial and strategic minerals through G2G negotiation and the acquisition of mining assets abroad.



Lithium-ion batteries are electrochemical energy storage systems in which lithium ions serve as a charge carrier between electrodes. The chemistry used for a certain application is determined by a number of parameters, including cost, energy density, cycle life, and the charging rate necessary for the application. Lithium-ion batteries can be classified into the following categories based on battery chemistry (Active Materials):

Lithium Cobalt Oxide (LCO) (LiCoO₂)

It has a layered structure for ion mobility with a graphite carbon anode and a cobalt oxide cathode. The Li-cobalt battery's high specific energy makes it applicable for consumer electronics, such as digital cameras, mobile phones, and laptops.

Lithium Manganese Oxide (LMO) (LiMn₂O₄)

It creates a three-dimensional spinel structure to increase safety and stability while lowering internal resistance and improving current handling and ion flow. Newer Li-manganese designs have been successful in improving battery longevity, safety, and specific power. It is applicable for medical devices, portable power tools, hybrid and electric vehicles, and powertrains.

Lithium Nickel Manganese Cobalt Oxide (NMC) (LiNiMnCoO₂)

An NMC battery contains one of the most successful nickel-manganese-cobalt cathode combinations. An NMC battery, also referred to as CMN, MNC, and MCN, can function as either an energy cell or a power cell. It is mainly used in e-bikes, EVs, medical devices, and industrial.

Lithium Iron Phosphate (LFP) (LiFePO₄)

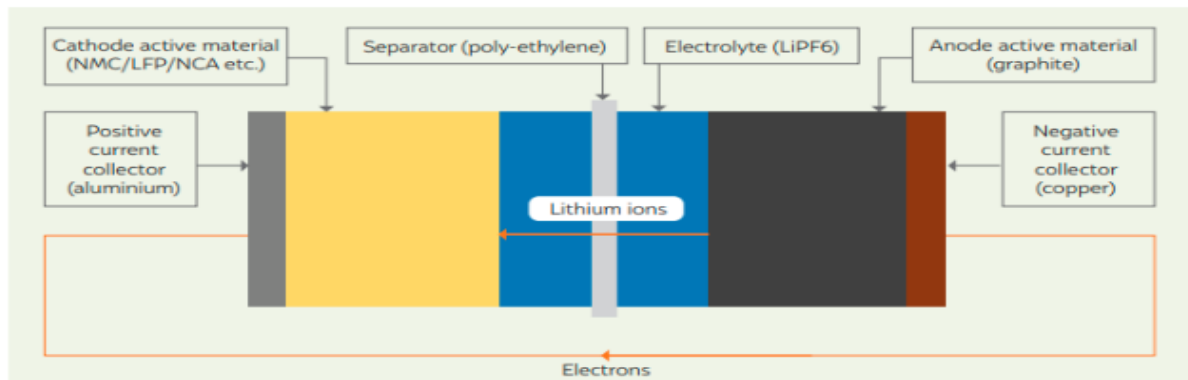
Rechargeable lithium batteries were created using one of the well-known battery materials when phosphate was discovered to be a cathode material in 1996. It performs effectively in a sequence of four cells that generates a voltage similar to that of a series of six lead-acid cells. It is mainly used in stationary applications with high endurance.

Lithium Nickel Cobalt Aluminium Oxide (LiNiCoAlO₂)

NCA batteries are extensively utilised in EV powertrains due to their high specific energy, excellent specific power, and reasonably long lifespan. It is applicable for EVs, electric powertrains, medical devices, and industrial.

Lithium Titanate (LTO) (Li₂TiO₃)

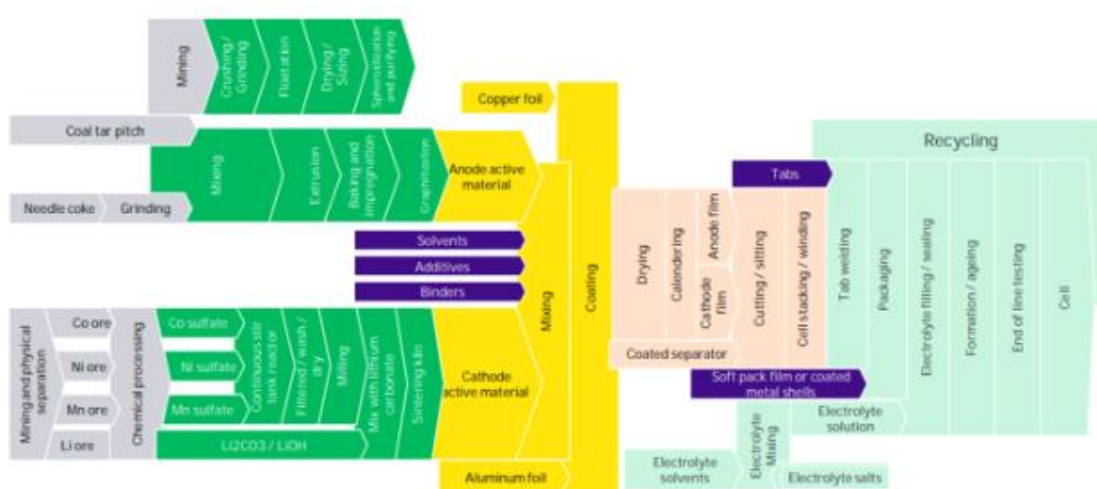
One of the best-performing and safest Li-ion batteries is the lithium-titanate battery. When charging at low temperatures and fast charging, an LTO battery exhibits zero strain and does not generate an SEI (Solid Electrolyte Interface) layer or lithium plating, as opposed to a normal cobalt-blended Li-ion battery. It is applicable in aerospace and military equipment, EVs, electric powertrains, solar-powered street lighting, telecommunications systems, and UPS.



A lithium-ion battery is made up of many modules, each of which is made up of several constituent cells - the basic electrochemical units. In a lithium-ion cell, the cathode active material and anode active material are deposited onto thin metal foils known as current collectors. The cathode is made of aluminium foil, whereas the graphite anode is made of copper foil. To allow the passage of lithium ions, a liquid electrolyte is positioned between the electrodes. This electrolyte is typically composed of lithium salts and a solvent. A separator membrane (made of a specially produced polymer, such as high-density polyethylene or polyolefin) is necessary to physically separate the two electrodes while enabling ions to pass through unhindered.

Cell Form Factor	Image	Details
Cylindrical		Cylindrical cells are made by rolling lengthy foils of electrode and separator layers into a multi-layered cylindrical jelly roll and wrapping this roll in a protective casing of nickel-coated steel. These cells have a high mechanical stability and are perfect for mass production. This form factor was previously the most prevalent, and because of its small size, it is suited for chemistries with higher safety risks. These cells have insufficient packing density. Because of its adaptability, cylindrical cells are widely employed in a variety of applications, including mobility and stationary storage, as well as power tools.
Prismatic		The packing density of prismatic cells is substantially higher than that of cylindrical cells. They can also be substantially larger than their cylindrical counterparts, which increases their energy density even further. The electrodes and separators are rolled and fitted in a prismatic aluminium box. This space efficiency occasionally comes at a cost; prismatic cells are normally larger, which might raise concerns about safety and maintenance expenses. Prismatic cells are preferred for mobile and stationary storage applications.
Pouch		Pouch cells are made by stacking different electrode and separator layers. The stacked layers are then sealed inside a pouch made of flexible aluminium foil. Pouch cells are lighter than their counterparts, yet they are prone to swelling and require additional support structures for protection. Pouch cells are used in any application where packing efficiency and weight are important considerations. They are most commonly found in consumer gadgets.

The Lithium-Ion Cell Manufacturing Process



Government initiatives

FAME-II Scheme

The Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles (FAME) initiative was introduced as part of this strategy in 2015. The Ministry of Heavy Industries has been implementing the (FAME India) Scheme Phase-II for a five-year period beginning April 1st, 2019, with a total budgetary support of Rs. 10,000 crore (US\$ 1.20 billion). This phase primarily focuses on boosting the electrification of public and shared transport, with the goal of supporting 7,090 eBuses, 5,00,000 e-3 Wheelers, 55,000 e-4 Wheeler Passenger Cars and 10,00,000 e-2 Wheelers through demand incentives. The budget includes funds for the construction of charging stations as well as up-front incentives to lower the cost of purchasing vehicles.

Production Linked Incentives (PLIs) for Advance Chemistry Cells (ACC)

The government has invested around US\$ 2.5 billion in this incentive scheme, which seeks to establish a local manufacturing capacity of 50 GWh of ACC and 5 GWh of niche ACC capacity (planned). The programme intends to improve exports and generate economies of scale, helping big domestic and international manufacturers develop a competitive ACC battery production in India. To receive incentives under the programme, the government has agreements in place with three bidders, namely Reliance New Energy Solar, Ola Electric, and Rajesh Exports.

Union Budget 2023

Basic customs duty exemption on the importation of machinery used in the manufacture of lithium-ion batteries used in EVs, as well as vehicle parts and subsystems.

- Customs duty on lithium-ion batteries is being reduced from 21% to 13%.
- Concessional basic customs taxes are being extended for electric vehicles and hybrid batteries.
- Additional funding has been allocated to support the recycling of old vehicles.
- The emphasis is on promoting the production of green hydrogen and biogas.

Battery Waste Management Rules

The Ministry of Environment, Forest, and Climate Change published the Battery Waste Management Rules in 2022 to ensure that battery waste is handled in an environmentally responsible manner.

The regulations stimulate the establishment of new firms and entrepreneurship in the collection, recycling, and repair of spent batteries. By demanding a minimum degree of material recovery from used batteries in the recommendations, new technologies, investments, and business opportunities will be brought to the recycling and refurbishment sector.

MeitY created technology as a part of the "Centre of Excellence on E-waste management" established at the Centre for Material for Electronics Technology (C-MET) in Hyderabad in partnership with the Government of Telangana and business partner M/s Greenko Energies Private Ltd., Hyderabad.

Battery Swapping Policy (Draft)

In order to improve the efficient and effective use of resources (public funds, land, and raw materials for advanced cell batteries) for the provision of customer-centric services, NITI Aayog designed the draft of the battery swapping policy. EVs with swappable batteries are eligible for the same incentives as electric vehicles with fixed batteries installed from the factory. According to the proposed legislation, the size of the incentive would be determined by the kWh rating of the battery and compatible EV.

Road Ahead

There is a limited supply of lithium, nickel, cobalt, and manganese precursors, which are all key raw elements needed in the synthesis of active cathode materials for lithium-ion batteries. By 2030, India's LIB cell manufacturing industry will require 193 thousand tonnes of cathode active material, 98 thousand tonnes of anode active material, 91 thousand tonnes of aluminium, 41 thousand tonnes of copper, and 8 thousand tonnes of LiPF₆ electrolyte material to produce 100 GWh of batteries. With almost non-existent infrastructure throughout the supply chain and minimal deployment expertise, India must establish greater control over the lithium-ion battery supply chain. Energy storage systems are expected to play a major part in global decarbonization, resulting in an exponential growth in demand. India should make an effort to become a manufacturing powerhouse in addition to trying to satisfy home demand through domestic production. The availability of minerals at reasonable rates will be important to global competitiveness. India's foreign policy must adapt to changing trends and prioritise strategic initiatives in key regions. A concentrated effort on R&D, process optimisation, and recycling can help to lessen the requirement to import cell components from other nations. Academia must immediately begin developing courses and curricula to satisfy the expanding employment demands.


(Source: <https://www.ibef.org/blogs/lithium-ion-battery-lib-manufacturing-industry-in-india#:~:text=The%20lithium%20Dion%20battery%20industry,carbon%20transportation%20and%20energy%20syst ems.>)

OUR BUSINESS

Unless otherwise stated, all financial information of our Company used in this section has been derived from our Restated Financial Information. We have included various operational and financial performance indicators in this Prospectus, many of which may not be derived from our Restated Financial Information or otherwise be subject to an examination, audit or review by our auditors or any other expert. Some of the information in this section, including information with respect to our plans and strategies, contain forward – looking statements that involve risks and uncertainties. You should read the section entitled “Forward Looking Statements” on page of this Prospectus for a discussion of the risks and uncertainties related to those statements, and the section entitled “Risk Factors” on page 22 of this Prospectus for a discussion of certain risks that may affect our business, financial condition or results of operations.

OVERVIEW

Our Company, CLN Energy Limited has been incorporated on October 01, 2019 with a vision to manufacture products that reduces the carbon emission and commits to sustainability. Our company is engaged in the manufacturing of customized Lithium-ion Batteries, motors and deals in powertrain components of electric vehicles such as controllers, throttles, DC-DC converters, display, differential etc. Our company offers B2B solutions for both mobility applications such as electric two, three and four wheelers, including traction application as well as stationary applications such as solar, ESS, and telecommunications, Our Company also offers unique and customised solutions for various applications wherein lithium-ion battery packs are used. We sell Lithium-ion Battery Packs, motors and

powertrain components under the “” brand. Revenue generated from mobility, stationary application and powertrain components are as follows:

(Rs in lakhs)

Particulars	For the period ended September 30, 2024		FY 23-24		FY 22-23		FY21-22	
	Amount	%	Amount	%	Amount	%	Amount	%
E-Mobility	3,452.32	57.33%	8,081.48	73.69%	9,751.25	87.44%	10,550.73	86.99%
Stationary Applications	1,671.53	27.76%	2,601.42	23.72%	1,227.65	11.01%	1,299.64	10.71%
Powertrain and other components	898.17	14.91%	283.81	2.59%	172.51	1.55%	278.68	2.30%
Total revenue from products	6,022.02	100.00%	10,966.71	100.00%	11,151.41	100.00%	12,129.05	100.00%

Our Company derives revenue from manufacturing, trading and service business details of which are as below:

(Rs in lakhs)

Particulars	For the period ended September 30, 2024		FY 23-24		FY 22-23		FY 21-22	
	Amount	%	Amount	%	Amount	%	Amount	%
Manufacturing	5,601.00	75.02%	8,936.82	67.51%	5,398.17	41.98%	2,762.35	22.73%
Trading	421.01	5.64%	2,029.89	15.33%	5,753.24	44.74%	9,366.70	77.07%
Service Income	1,444.39	19.35%	2,270.37	17.15%	1,706.49	13.27%	24.05	0.20%
Revenue from Operations (excl operating income)	7,466.41	100.00%	13,237.08	100.00%	12,857.90	100.00%	12,153.10	100.00%

Presently, our company operates two manufacturing facilities, one located in Noida, Uttar Pradesh, and the other in Pune, Maharashtra. Our facilities in Noida and Pune span 42,000 sq. ft and 21,000 sq. ft, respectively, and are equipped with the latest technology. We manufacture lithium-ion battery packs for both mobility and stationary applications. Our current installed manufacturing setup has a Cell Grading Capacity of 168 MWH per annum, Cell Sorting capacity of 358 MWH per annum, manufacturing capacity of 130 MWH per annum, and Battery testing capacity of 72 MWH per annum for two-wheeler batteries, which is the combined capacity of both Noida and Pune facilities. For batteries other than two-wheelers, our facility has a Cell Grading Capacity of 41 MWH per annum, Cell Sorting capacity of 110 MWH per annum, manufacturing capacity of 115 MWH per annum, and Battery testing

capacity of 41 MWH per annum. Additionally, our Noida facility has an installed capacity of 60,000 motors per annum.

Our company has in-house R&D capabilities to design and integrate the various powertrain and power systems to offer the complete solution for mobility and energy storage application like UPS, Telecom etc. With the use of lithium-ion batteries along with high efficiency DC power systems, intelligent energy management, remote operation and management, it can help our customers to achieve cost savings, reduced carbon emission for green environment and better insights of their product. Our Company provides critical business solution for the customers who wants to use lithium-ion batteries with a specific power capacity as required for their application. Our Company also sells the design and prototype solutions to the customers who further use them to manufactures products basis on these designs.

Our highly efficient products manufactured are outcome of focused design, customer feedback and future needs of mobility & stationary applications. We also provide solution approach where our R&D team focus on customizations to fulfil customer requirements. We believe our quality products, internationally recognized manufacturing facilities with ISO certifications, and Research and Development acts as potential entry barriers for our competitors and enable us to target a large customer base within India.

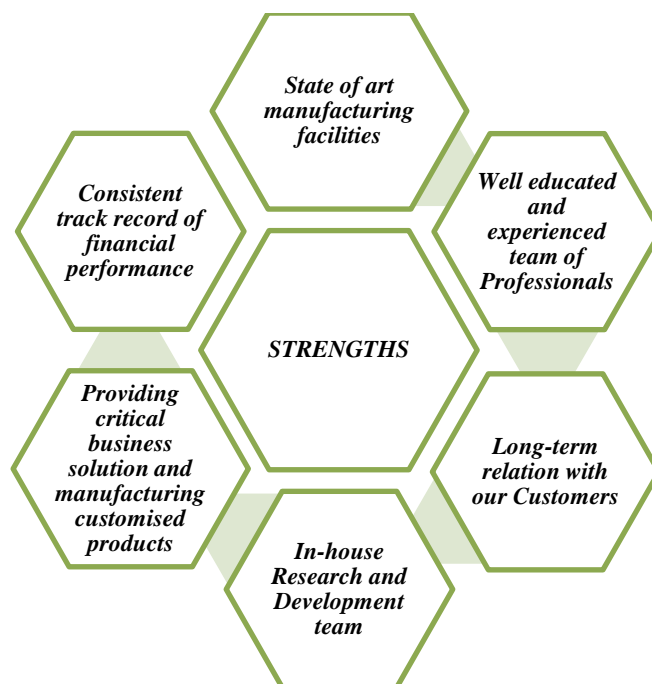
Key Financial data for the period ended September 30, 2024 and financial year 2023-24, 2022-23 and 2021-22 are as below as per the Restated Financial Statements:

(Rs in lakhs)

Particulars	For the period ended September 30, 2024	F.Y 2023-24	F.Y 2022-23	F.Y 2021-22
Revenue from Operations	7,482.78	13,270.86	12,881.94	12,168.96
Total Income	7,584.13	13,285.94	12,888.39	12,170.00
EBITDA before exceptional item	1,061.41	1,866.86	1,337.31	635.62
EBITDA Margin before exceptional item	14.18%	14.07%	10.38%	5.22%
EBITDA	1,061.41	1,866.86	667.70	635.62
EBITDA Margin	14.18%	14.07%	5.18%	5.22%
PAT	463.65	978.85	72.87	364.13
PAT Margin	6.20%	7.38%	0.57%	2.99%
Net Worth	1,800.99	1,337.34	358.49	285.62

Note: Percentages are calculated based on the revenue from operations

Our Strengths



State of art manufacturing facilities

Our Company has two manufacturing facilities one at Noida and another at Pune. Our manufacturing facility is equipped with in house R&D lab, Laser Welding Machine, Automatic welding, Cell grading machine and End of Line testing. Our both manufacturing facilities are recognised by the Customs Department under MOOWR Scheme as Custom Bonded Warehouse facilities. Our facilities in Noida and Pune span 42,000 sq. ft and 21,000 sq. ft, respectively, and are equipped with the latest technology and has state of the art machinery, Research & Development department, testing and validation facilities. At these facilities, we manufacture lithium-ion battery packs and motor. Our current installed manufacturing setup has an installed capacity of Cell Grading Capacity of 168 MWH per annum, Cell Sorting capacity of 358 MWH per annum, manufacturing capacity of 130 MWH per annum, and Battery testing capacity of 72 MWH per annum for two-wheeler batteries, which is the combined capacity of both Noida and Pune facilities. For batteries other than two-wheelers, our facility has a Cell Grading Capacity of 41 MWH per annum, Cell Sorting capacity of 110 MWH per annum, manufacturing capacity of 115 MWH per annum, and Battery testing capacity of 41 MWH per annum with latest technology, through which we can customize the lithium-ion battery packs, which ranges from 1 KWH to 500 KWH per annum, according to the application and product requirements of the customers and installed capacity at Noida of 60,000 motors per annum. Our presence in these locations allows us to have easy access to raw materials and customers both which helps us overcome significant entry barriers in comparison with our competitors. Our manufacturing facilities are ISO certified has QMS 9001:2015, EMS 14001:2015 & OHSAS 45001:2018 certified also our plant has complied and certified as per AIS037 from ICAT and ARAI which is mandatory for automobile component manufacturing. Our product has multiple certificates for performance and safety like AIS048, AIS156 for L2 (Two-Wheeler), L3 (e-Rickshaw) and L5 (Three-Wheeler) application, IEC62133, IEC62619, QM333 for energy storage application, IS16047 for Solar Lighting application and AIS041 for electric motor. We have received QF103 from TSEC, Department of Telecom, Government of India for telecom lithium-ion batteries.

Well educated and experienced team of Professionals

The senior management team of our Company have significant industry experience and have been instrumental in the high growth of our Company. Our Whole-time director and Chief Executing Officer, Sunil Gandhi, has over 2 decades of experience in this industry leads our operation, production planning business development and. guides our strategic planning and growth. Our whole-time director and Chief Operating Officer, Manish Shah has over 2 decades of experience and is handling our operations in Noida and Pune. Our Key Managerial Personnel team includes a combination of management executives who bring in significant business expertise including in the areas of manufacturing, designing, validation, strategic planning, finance human resource, supply chain, Information Technology which positions us well to capitalize on the current and future growth opportunities.

Further our Key Managerial Personnel are supported by well-educated and experienced professional management team whose collective experience and capabilities enable us to understand and anticipate market trends; manage our business operations and growth, leverage customer relationships and respond to changes in customer preferences. Our Company will continue to leverage from insights, experience and rich knowledge gained over the years with our KMP's and R&D team to continue to deepen expansion into the Indian and Export market. For further details of the educational qualifications and experience of our senior management and KMP's please refer to the chapter titled "Our Management" on page 147 of this Prospectus.

Long-term relation with our customers

Our Company has a large and diversified customer base coupled with three revenue channels i.e. manufacturing, trading and services which provides us revenue certainty and diversification and reduces risk associated with loss of customers, thereby ensuring business continuity and sustainable growth. Our ability to provide solution, manufacture the product based on requirement and designed approved by customer and deal trade in ancillary items with the main product, has enabled us to provide quality solutions and establish longstanding relationships with our customers. Our team focuses on each order and defines the process and plan accordingly. This provides complete satisfaction to our customer and helps them to achieve their purpose from the product in impromptu and systematic manner and also enable us to expand our business from existing customers to new customer through mouth publicity. We believe our focus on quality, providing customised solution to our customers and timely delivery of our service offerings have helped us establish and maintain long term relationships with our customers.

Details of revenue contribution from different states of India and export sales are as below:

(Rs in lakhs)

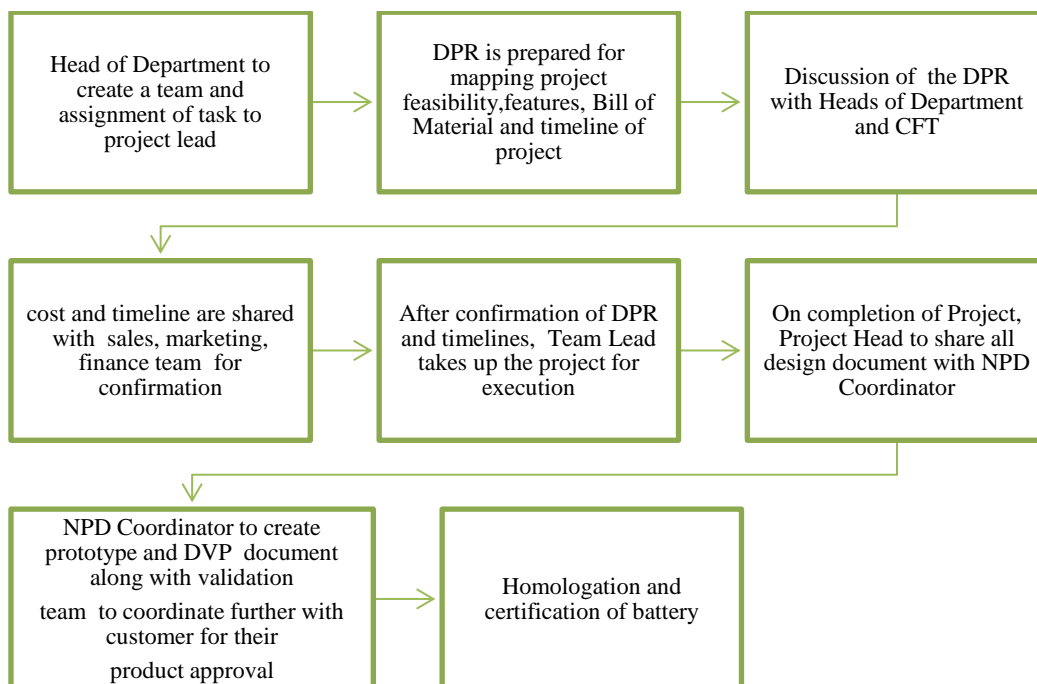
Particulars	For the period ended September 30, 2024		FY23-24		FY22-23		FY21-22	
	Amount	%	Amount	%	Amount	%	Amount	%
Delhi	1,355.48	22.51%	3,505.67	31.97%	2,072.53	18.59%	2,988.47	24.64%
Maharashtra	789.12	13.10%	2,764.09	25.20%	1,544.05	13.85%	1,052.47	8.68%
Uttar Pradesh	2,447.19	40.64%	1,827.42	16.66%	2,697.05	24.19%	2,826.79	23.31%
Haryana	199.67	3.32%	401.34	3.66%	2,125.73	19.06%	2,825.53	23.30%
West Bengal	461.38	7.66%	371.52	3.39%	99.06	0.89%	160.75	1.33%
Punjab	96.41	1.60%	214.23	1.95%	144.42	1.30%	186.15	1.53%
Bihar	24.46	0.41%	193.01	1.76%	17.84	0.16%	8.80	0.07%
Gujarat	27.62	0.46%	180.26	1.64%	738.18	6.62%	427.37	3.52%
Karnataka	29.77	0.49%	167.23	1.52%	236.81	2.12%	332.24	2.74%
Rajasthan	124.43	2.07%	156.50	1.43%	624.49	5.60%	385.83	3.18%
Rest of India (Scattered)	466.06	7.74%	234.35	2.14%	629.02	5.64%	934.65	7.71%
Total Domestic Sale	6,021.59	99.99%	10,015.62	91.33%	10,929.18	98.01%	12,129.05	100.00%
Export	0.43	0.01%	951.10	8.67%	222.23	1.99%	-	-
Total Revenue from sale of Product	6,022.02	100.00%	10,966.71	100%	11,151.41	100%	12,129.05	100%

In-house Research and Development team

Being an innovation-focused company, we have invested significantly in R&D over the years, with the objective of developing innovative solutions, and implementing incremental improvements to existing products and customization to the specifications of our customers, seeking overall to improve our product performance and differentiate ourselves from our competition. Our operations are supported by our in-house Research and Development at our registered office Noida, with a team of 15 employees as on September 30, 2024 working in areas of, system engineering design and development (including mechanical, electrical and validation team) for battery and motor.

We offer our capabilities and experience in research and development to create design and prototype for specific products for our customers. With a focus on innovative and evolving markets, we seek to continuously innovate and provide solution for the application of our product and service offerings. In the field of our product, the design, prototype are critical and customised in nature, we continually work on developing innovative and cost competitive designs to maintain a technological edge across our product and services. Our R&D team provides solutions for new stationary and mobility who are moving towards green revolution and less carbon emission. To validate our designs, we have developed internal failure detection capabilities and also have set up team for compliance testing as per the required standards. On battery development, we have developed capabilities in end-to-end battery pack design and development including BMS related algorithms which we aim to optimize to give our customers high cycle life and optimal performance. On the process side; design goals, detailed specifications, design reviews, process development, control plans, detailed validation, Design Failure Mode and Effects Analysis (“DFMEA”), Process Failure Mode and Effects Analysis (“PFMEA”) and customer feedbacks are reviewed at various stages of development process and such process provides a structure to seek to ensure quality, speed and accuracy of development.

Process at Research and Development are as below:



Providing critical business solution and manufacturing customised products

Our Company provides critical business solution for the customers who wants to use lithium-ion batteries with a specific power capacity as required for their application. Any customer requirement goes through the process of research and development to deriving solution that can fulfil the specific need of the customer. For this design along with the prototype and validation plan is prepared as per customer’s specific requirement. Our Company also manufactures the product after the designed is approved by the customers. Our Company also sells the design and

prototype solutions to the customers who further use them to manufactures products basis on these designs. Our Company also manufactures motor with customised design, prototype and features as per the requirement of the application. Our product is used for both mobility and stationary applications. We provide our customers with repair and after sales service where products parts are serviced at our service centres Revenue bifurcation based on mobility, stationary application and powertrain components are as follows:

(Rs in lakhs)

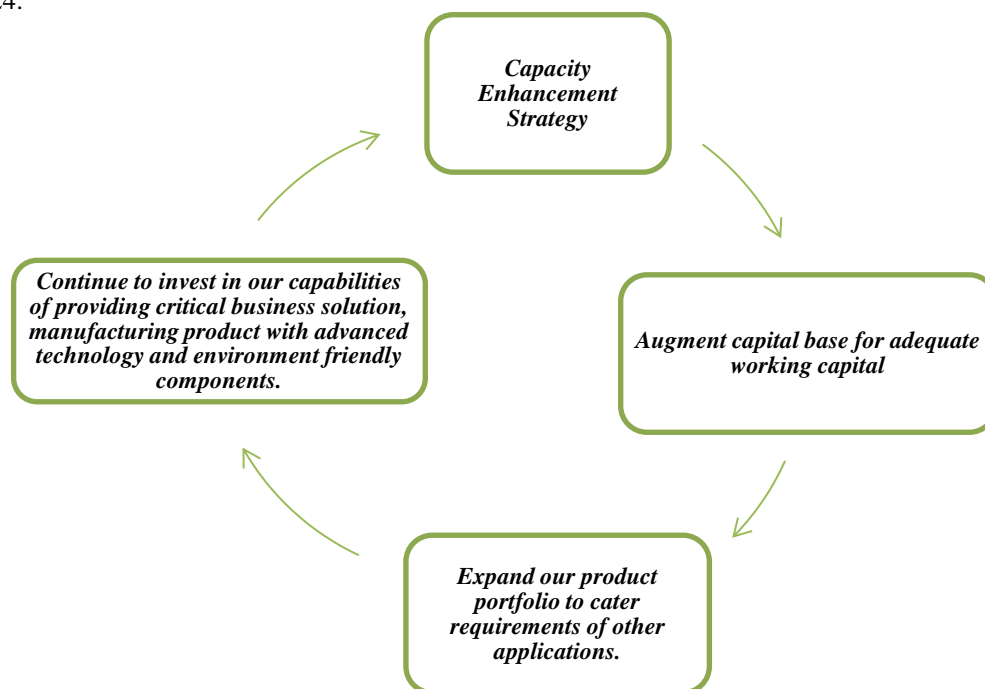
Particulars	For the period ended September 30, 2024		FY 23-24		FY 22-23		FY21-22	
	Amount	%	Amount	%	Amount	%	Amount	%
E-Mobility	3,452.32	57.33%	8,081.48	73.69%	9,751.25	87.44%	10,550.73	86.99%
Stationary Applications	1,671.53	27.76%	2,601.42	23.72%	1,227.65	11.01%	1,299.64	10.71%
Powertrain and other components	898.17	14.91%	283.81	2.59%	172.51	1.55%	278.68	2.30%
Total revenue from products	6,022.02	100.00%	10,966.71	100.00%	11,151.41	100.00%	12,129.05	100.00%

Consistent track record of financial performance

Our Company has maintained a healthy balance sheet. In the last three years, despite external factors such as Covid changing government policies for certification and other disruptions we have been able to achieve strong financial performance. We strive to maintain a robust financial position with emphasis on having a strong balance sheet and increased profitability. On account of an increase in sales, our total income increased from ₹ 12,170 lakhs for Fiscal 2022 to ₹ 13,285.94 lakhs for Fiscal 2024. Our Net Worth has grown from ₹ 285.62 lakhs as of March 31, 2022 to ₹ 1337.34 lakhs as of March 31, 2024. Our restated profit before tax from operations has grown at a CAGR of 63.96% from ₹ 364.13 lakhs in Fiscal 2022 to ₹ 978.85 lakhs in Fiscal 2024. Our PAT Margin was 7.38%, 0.57% and 2.99% and PBT (excluding exceptional item) margin was 9.23%, 5.90% & 4.12% for financial year 2023-24, financial year 2022-23 and financial year 2021-22, highlighting consistent growth in profitability. We believe we have prudently utilized our resources, which has enabled us to fund our expansions through our internal accruals. We believe that our operational and financial performance will allow us to take advantage of the growth opportunities in the ever-growing EV industry and government push for adoption of ESS in India with a target of Net Zero by 2070. For further details on comparative analysis of our financial position and revenue from operations, see the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on Page no 194 of this Prospectus.

Our Strategies

All the below mentioned strategies are approved by the Board of Directors through Board Resolution dated December 06, 2024.



Capacity Enhancement Strategy

As of Fiscal 2024, our installed capacity and proposed capex through net proceeds are as follows:

Particulars	UOM*	Installed Capacity		Total Capacity	Increase in Capacity	Total Capacity after capex
		Noida	Pune			
Two-wheeler capacity						
Cell Grading Capacity (a)	MWH	136	32	168	-	168
Cell Sorting Capacity (b)	MWH	328	30	358	-	358
Manufacturing Capacity (c)	MWH	100	30	130	-	130
Battery Testing Capacity (d)	MWH	22	50	72	50	122
Production Capacity/3 Shifts (Min of a, b, c or d)	MWH	22	30	-	-	-
Other than two-wheeler capacity						
Cell Grading Capacity (a)	MWH	41	-	41	143	184
Cell Sorting Capacity (b)	MWH	110	-	110	54	164
Manufacturing Capacity (c)	MWH	115	-	115	50	165
Battery Testing Capacity (d)	MWH	41	-	41	100	141
Production Capacity/3 Shifts (Min of a, b, c or d)	MWH	41	-	41	-	-

*Unit of measurement is MWH per annum

Our current manufacturing facilities, located in Noida (42,000 sq ft) and Pune (21,000 sq. ft), have a combined capacity for producing two-wheeler batteries, encompassing cell grading, cell sorting, manufacturing, and battery testing. The total capacity for two-wheeler batteries stands at 168 MWH per annum for cell grading, 358 MWH per annum for cell sorting, 130 MWH per annum for manufacturing, and 72 MWH per annum for battery testing. Additionally, our facilities have a capacity for producing other types of batteries, with 41 MWH per annum for cell grading, 110 MWH per annum for cell sorting, 115 MWH per annum for manufacturing, and 41 MWH per annum for battery testing. The production of batteries depends on all four capacities, and our product must pass through all four processes/machines. Therefore, a lower installed capacity in any one process will lead to lower production. Our Company proposes to augment these capacities by adding new machinery at Noida for other than two-wheeler

batteries, including a Cell Grading machine of 143 MWH per annum, a Cell Sorting machine of 54 MWH per annum, a Manufacturing Capacity of 50 MWH per annum, and a Battery Testing Machine of 100 MWH per annum, as well as a Battery Testing machine of 50 MWH per annum for two-wheeler batteries.

To meet the growing demand for our products, we plan to augment our manufacturing capabilities by adding new machinery at our Noida facility. This strategic investment will enable us to increase our production capacity, improve operational efficiency, reduce costs, and drive business growth. By enhancing our capacity, we aim to better serve our customers, scale our operations, and maintain our strong execution capabilities while being mindful of our capital expenditure. This investment will also help us to achieve greater economies of scale, improve our competitiveness, and strengthen our position in the market.

Augment capital base for adequate working capital

In order to effectively expand our product portfolio, business reach and also grow in research and development, along with effectively utilizing our existing facilities we need to have access to a larger amount of liquid funds and sufficient working capital. We want to give more credit period to our debtors to increase our sales and simultaneously we want to reduce our credit period to get better pricing to increase our profitability. Further there is growing demand for Lithium-ion batteries for electric vehicles, stationary application, traction, tractors etc. We are well positioned to take advantage of such growing demands in the lithium-ion battery industry. Due to this growing demand, we expect to increase our order taking appetite thus increasing our volumes, revenues and scale of operations and we will require substantial working capital for the same. It is hence our strategy to raise funds from this issue and augment our fund based working capital capabilities. We believe that companies with high liquidity on their balance sheet would be able to better exploit market opportunities. Hence, in order to effectively operate and maximize our capacity utilization at the existing facilities we need to have access to a larger amount of liquid funds and sufficient working capital. For further details of the proposed working capital requirements of the company, kindly refer to the Chapter titled “Objects of the Offer” on page no. 72 of this Prospectus.

Expand our product portfolio to cater requirements of other applications.

With the increase in demand of electric vehicle and the country moving towards green revolution there is increase in demand for lithium-ion batteries in the whole country. Our Company believes there is untapped opportunity to cater the requirements of lithium-ion batteries, motors and other powertrain components in both stationary and mobility applications. Our Company through Research and Development aims to provide solution for both power generation and storage for different applications which otherwise uses electricity. Over the period, our Company has provided solutions and manufactured batteries for mobility such as two-wheeler, three-wheeler and four-wheeler electric vehicle, e-tractor, traction and stationary application such as solar, ESS and Telecom. Our Company also deals in e-powertrain components such as motor and supplies components of Electric Vehicle DC-DC Converter Charger, Vehicle Display Unit, Wiring Harness and Telematics unit. Our Company proposes to manufacture lithium-ion batteries, for our domestic and export market, differentiated on the basis of design and quality, amongst other factors, to enhance the appeal and acceptance for our products amongst end-consumers.

We also continually seek to identify new end-use cases for batteries and motors that have economic viability and significant growth potential. We intend to focus on increasing the expenditure by each of customers on lithium-ion batteries purchased from us. We also intend to capitalize on the unutilized capacity at our manufacturing facilities to further increase production of our portfolio of lithium-ion batteries and take advantage of the experience of our research and development team to increase acceptance for our batteries and motors and enhance our visibility in the domestic batteries market, particularly for power generation and storage. Additionally, we seek to further penetrate and strengthen our market position in each segment of the market for our products. Currently, we derive our revenue from manufacturing & trading operation from the following products:

(Rs in lakhs)

Particulars	For the period ended September 30, 2024		FY23-24		FY 22-23		FY21-22	
	Amount	%	Amount	%	Amount	%	Amount	%
Batteries	4,958.27	82.34%	9,886.78	90.15%	5,398.17	48.41%	2,752.17	22.69%
Cell	165.58	2.75%	796.12	7.26%	5,580.73	50.05%	9,098.20	75.01%
Motor and Controller	642.73	10.67%	123.43	1.13%	6.08	0.05%	14.07	0.12%
BMS	40.31	0.67%	15.99	0.15%	4.79	0.04%	18.34	0.15%

Charger	152.50	2.53%	40.89	0.37%	49.70	0.45%	39.91	0.33%
MS Box	-	-	-	-	2.61	0.02%	-	-
Infrared Thermometer	-	-	-	-	-	-	10.18	0.08%
Others	62.63	1.04%	103.50	0.94%	109.33	0.98%	196.18	1.62%
Total	6,022.02	100.00%	10,966.71	100.00%	11,151.41	100.00%	12,129.05	100.00%

Continue to invest in our capabilities of providing critical business solution, manufacturing product with advanced technology and environment friendly components.

Our customers' continually evolving businesses and preferences require us to focus on new product development and improvements through our continuing efforts towards product development, innovation and designs. Our Research & Development activities are completely done through in-house development led by 15 employees in our dedicated R&D team as of September 30, 2024, and we intend to add more experienced employees to our R&D team in the areas of hardware, firmware, system engineering, IT and simulation software and Test lab etc. We have developed experience in Lithium-ion battery, powertrain and providing critical business solution with respect to designing battery, for both stationary and mobility. Our Company seeks to continue to build on this experience and enhance our product and technology stack. We intend to invest in various test and simulation capabilities in order to reduce development time and receive accurate results and feedback during product design and validation.

We intend to install the automatic battery pack assembly line to minimize the errors and ensuring consistent quality for use in both stationary and mobility applications and we plan to continue to build more innovative features including software to differentiate our battery products. During the Financial Year 2022-23, we have made capital expenditure towards R&D (comprising R&D expenses and capitalized product development expenses) of ₹ 261.62 lakhs. Our R&D team has helped us in creating proprietary intellectual property, optimize our cost effectiveness and create better value proposition for our customers and we will continue to invest substantially in product innovation and design to expand our offerings and increase our market presence.

DETAILS OF OUR BUSINESS

Location

Registered Office

Our registered Office is located at Plot-18, Sector-140, Phase-2, Nepz Post Office, Gautam Buddha Nagar, Dadri, 201305, Uttar Pradesh, India.

Manufacturing Facilities

Noida facility along with Research and Development team- Plot-18, Sector-140, Phase-2, Nepz Post Office, Gautam Buddha Nagar, Dadri, 201305, Uttar Pradesh, India.



Pune facility- GAT NO.375/1 AND 376, Koregaon Bhima, Taluka Shirur, Pune, Maharashtra- 412216






Our Products and services

1. Manufactured Products

Sr.no	Particulars	Description	End User Industry
1	 <p>TWO WHEELER</p>	<p>2KWh, 3KWh, 4KWh</p> <p>AIS 156, Phase – 2 Amendment – III Certified Real Time Data Monitoring Water, Vibration & Fire Resistant Automotive Grade Component</p>	Electric Vehicle Industry
2	 <p>E-RICKSHAW</p>	<p>5KWh, 6KWh</p> <p>AIS 156, Phase – 2 Amendment – III Certified Automotive Grade Components Equipped with Communication Based SOC Indicator Water, Vibration & Fire Resistant</p>	Electric Vehicle Industry
3	 <p>E-AUTO/E-LOADER</p>	<p>10KWh, 12KWh</p> <p>AIS 156, Phase – 2 Amendment – III Certified Water Vibration & Fire Resistant Smart BMS with Panasonic Platform for High Accuracy Passively Cooled for Improved Thermal Performance</p>	Electric Vehicle Industry
4	 <p>FOUR WHEELER</p>	<p>19KWh, 33KWh</p> <p>Support Bharat Standard Public Charging Cloud Monitoring & OTA Fire and Water Proof Certified Inbuild Data Storage and Remote Troubleshooting</p>	Electric Vehicle Industry
5	 <p>E-TRACTOR</p>	<p>24KWh</p> <p>BTMS for Enhanced Thermal Performance Support Bharat Standard Public Charging Cloud Monitoring & OTA Updates IP 67 Rated Safe Battery</p>	Electric Vehicle Industry

Sr.no	Particulars	Description	End User Industry
6	 <p style="text-align: center;">GOLF CART</p>	<p>2KWh, 10KWh (24V-72V) – 5K Wh, 15 KWh</p> <p>Trouble Free Performance Long Life, Fast Charging, Ultra Safe Zero Maintenance Inbuilt Communication with SOC Indicator Bluetooth Application to Monitor Real Time Data</p>	<p>Golf cart manufacturing companies</p>
7	 <p style="text-align: center;">FORKLIFT</p>	<p>5KWh, 19KWh & 32KWh</p> <p>Charging & Discharging Protection CAN Protocol Long Time Run with Single Charge Forklift, BOPT, Cleaning Machine, Reach Truck</p>	<p>Material handling equipment Industry</p>
8	 <p style="text-align: center;">SOLAR</p>	<p>12.8V 12Ah 12.8V 30Ah 12.8V 54Ah</p> <p>100% Efficient for Charge/Discharge Overcharge, Discharge and Temperature Protection Reserve Polarity and Short Circuit Protection BIS Approved</p>	<p>Solar Industry</p>
9	 <p style="text-align: center;">TELECOM</p>	<p>48V- 50Ah to 1600Ah</p> <p>Integrated with all major inverter/UPS manufacture CAN/RS485/232 communication options Suitable for multi-unit parallel connection State of charge (SOC) indicators & Failure warning display LED</p>	<p>Telecommunication Industry</p>
10	 <p style="text-align: center;">ESS</p>	<p>96 to 1000V – 20 to 500KWh</p> <p>Long-lasting and safe Effortless Installation and Usage Versatile Operation Modes Swift and Adaptable Charging</p>	<p>Thermal Power Industry, Commercial and Industrial application</p>

Sr.no	Particulars	Description	End User Industry
11	 <p data-bbox="264 533 647 584">10" HUB MOTOR</p>	<p data-bbox="691 331 847 360">48V/60V/72V</p> <p data-bbox="691 394 1091 450">AIS 041 Revision -1 Certified Motor IP 67</p> <p data-bbox="691 456 1182 544">Highly Energy Efficient Smooth, Controller, Variable Speed Operation</p>	<p data-bbox="1206 405 1426 465">Electric Industry Vehicle</p>
12	 <p data-bbox="296 869 616 898">12" HUB MOTOR</p>	<p data-bbox="691 674 847 703">48V/60V/72V</p> <p data-bbox="691 736 1091 792">AIS 041 Revision -1 Certified Motor IP 67</p> <p data-bbox="691 799 927 860">Regenerative Braking Dashboard Interface</p>	<p data-bbox="1206 736 1426 797">Electric Industry Vehicle</p>
13	 <p data-bbox="264 1149 624 1178">17" HUB MOTOR</p>	<p data-bbox="691 965 847 994">48V/60V/72V</p> <p data-bbox="691 1028 1091 1084">AIS 041 Revision -1 Certified Motor IP 67</p> <p data-bbox="691 1090 927 1151">Regenerative Braking Dashboard Interface</p>	<p data-bbox="1206 1028 1426 1088">Electric Industry Vehicle</p>
14	 <p data-bbox="272 1429 647 1458">2-WHEELER CONTROLLER</p>	<p data-bbox="691 1252 791 1281">48V/60V</p> <p data-bbox="691 1314 1091 1435">AIS 041 Revision -1 Certified Motor CAN/Non-CAN Enabled Integral Waterproof Terminal Port Energy Feedback Braking</p>	<p data-bbox="1206 1314 1426 1375">Electric Industry Vehicle</p>
15	 <p data-bbox="248 1742 663 1771">E RICKSHAW MOTOR</p>	<p data-bbox="691 1538 791 1568">48V/60V</p> <p data-bbox="691 1601 1091 1722">AIS 041 Revision -1 Certified Motor Available in 1kw/1.2kw/1.5kw Hill Stop Function Individual Phase Wire</p>	<p data-bbox="1206 1615 1426 1675">Electric Industry Vehicle</p>

Sr.no	Particulars	Description	End User Industry
16	 <p>E-RICKSHAW CONTROLLER</p>	48V/60V AIS 041 Revision -1 Certified Controller 50A/60A/80A Controller Tube – 24/30 Hill Stop Function	Electric Industry Vehicle
17	 <p>10KW/15KW PMSM MOTOR</p>	48V/60V/72V AIS 041 Revision -1 Certified Motor Gear Ration 1:10 Vibration & High Temp Resistant Torque 100 Nm	Electric Industry Vehicle
18	 <p>L5 - CONTROLLER</p>	48V/60V/72V AIS 041 Revision -1 Certified Controller IP 67 Hill Stop Function Dynamic Low Speed Feedback Technology	Electric Industry Vehicle

2. Traded Products

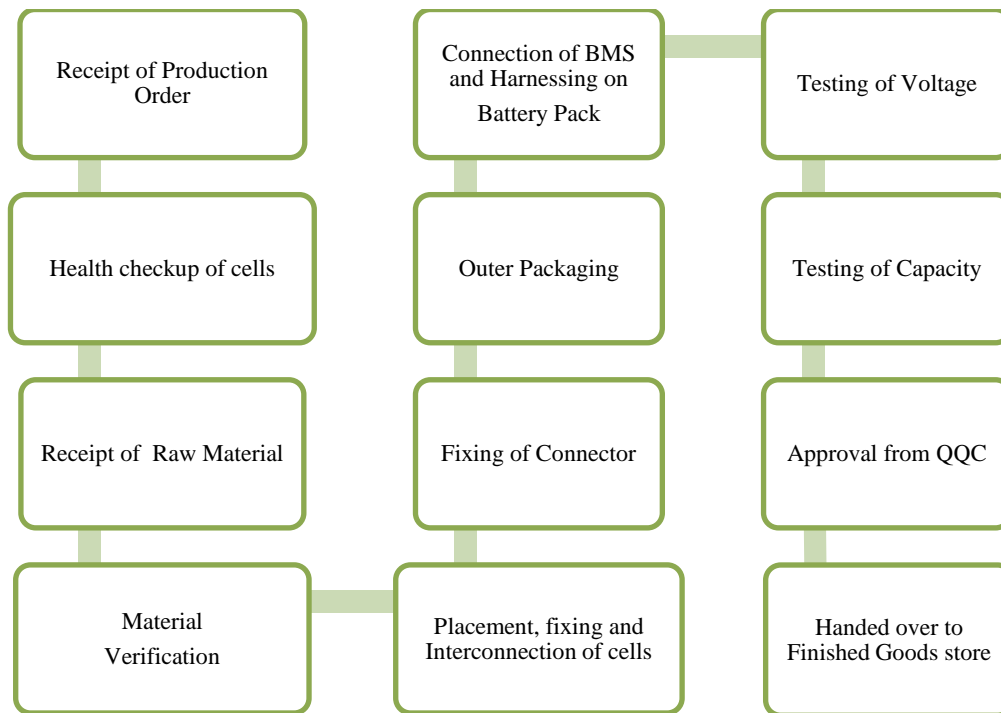
<p>18650-2900mAh 3.6V BAK NMC CELL</p> 	<p>3.2V 30Ah LFP POUCH CELL GANFENG</p> 
<p>18650-2600mAh 3.6V FAREAST NMC CELL</p> 	<p>3.2V 50Ah LFP POUCH CELL GANFENG</p> 

 <p>3.2V 100Ah LFP PRISMATIC CELL HIGH-STAR</p>	 <p>Display</p>
 <p>Sensor and Telematics unit</p>	 <p>DC-DC Converter</p>
 <p>Charger</p>	 <p>Vehicle Display Unit</p>
 <p>Wiring Harness</p>	 <p>Telematics unit</p>

3. Services

Our Company designs and develops prototype for specific products as per the requirement of our customers. With a focus on innovation and evolving markets, we seek to continuously innovate and provide solution for the application of our service offerings. Our Company offers the design and prototype which are critical and customised in nature by continually work on developing innovative and cost competitive designs to maintain a technological edge and serve our customer in best way possible. Our R&D team provides critical business solutions for new stationary application and mobility who seek to install lithium-ion batteries in their product or equipment. Designs offered by us are validated by a team dedicated to it and we have developed internal failure detection capabilities and also have set up team for compliance testing as per the required standards. Our Company focuses on creating designs and prototype with an end-to-end battery pack design and development including BMS and related algorithms. Our Company aims to provide customised designs which helps the customer to increase their products cycle life and have optimal performance.

Manufacturing process flow chart



Steps:

Step 1: Receive Production Order

The production order is received from the Production Planning and Control (PPC) department, along with the Bill of Materials and product specification. The order is reviewed for accuracy and completeness, ensuring all necessary documents are attached. This step initiates the production process, and any discrepancies or missing information are addressed promptly.

Step 2: Cell Sorting and Health Check

Cells are sorted according to type, capacity, and age, and a health check is performed on each cell to determine its suitability for production. The health check includes evaluating the cell's age, grading its capacity, and measuring its internal resistance (IR) to ensure it's within acceptable limits. This step ensures that only suitable cells are used for production.

Step 3: Raw Material Receiving

Raw materials are received from the store based on the material requisition slip (MRS) issued by the PPC department. The materials are verified against the MRS and Bill of Materials to ensure accuracy and completeness. Any discrepancies or damage are addressed, and materials are properly labeled and stored.

Step 4: Material Verification

Received materials are verified with respect to the Bill of Materials to ensure accuracy and completeness. Any discrepancies or damage are addressed, and materials are checked for quality standards. This step ensures that all materials meet the required specifications.

Step 5: Welding/Cell Interconnecting

The series-parallel connection is performed using a spot/laser welding machine, and the epoxy sheet is fixed with thread tape as per dimensions. Element tape and green barley paper are also fixed, completing the cell interconnecting process.

CV-Sensing Wire Harnessing

CV-sensing wires are connected to the Battery Pack, ensuring proper connections and secure wiring. This step enables the battery's state of charge to be monitored.

Series Voltage Checking

The series voltage of the Battery Pack is measured and compared with specifications to ensure accuracy. This step verifies that the battery's voltage meets the required standards.

Step 6: BMS Fixing and Updating

The Battery Management System (BMS) is installed, and the Bluetooth module is connected. The BMS software is updated, enabling the battery's performance to be monitored and managed.

Step 7: Pre-testing

Pre-testing is performed by checking the battery voltage, ensuring it's within acceptable limits. This step verifies that the battery is functioning correctly before further testing.

Step 8: Outer Packaging and Slewing

Outer packaging is applied to the Battery Pack, and the battery pack is sleeved with protective covering. This step protects the battery from environmental factors.

Step 9: Final Testing

The battery pack is put inside the cabinet, and the connector is fixed. The battery capacity is tested, ensuring it meets specifications.

Step 10: Sticker Pasting

A sticker with details such as brand, warning, warranty void, and QR code is pasted on the battery. This step provides essential information about the battery.

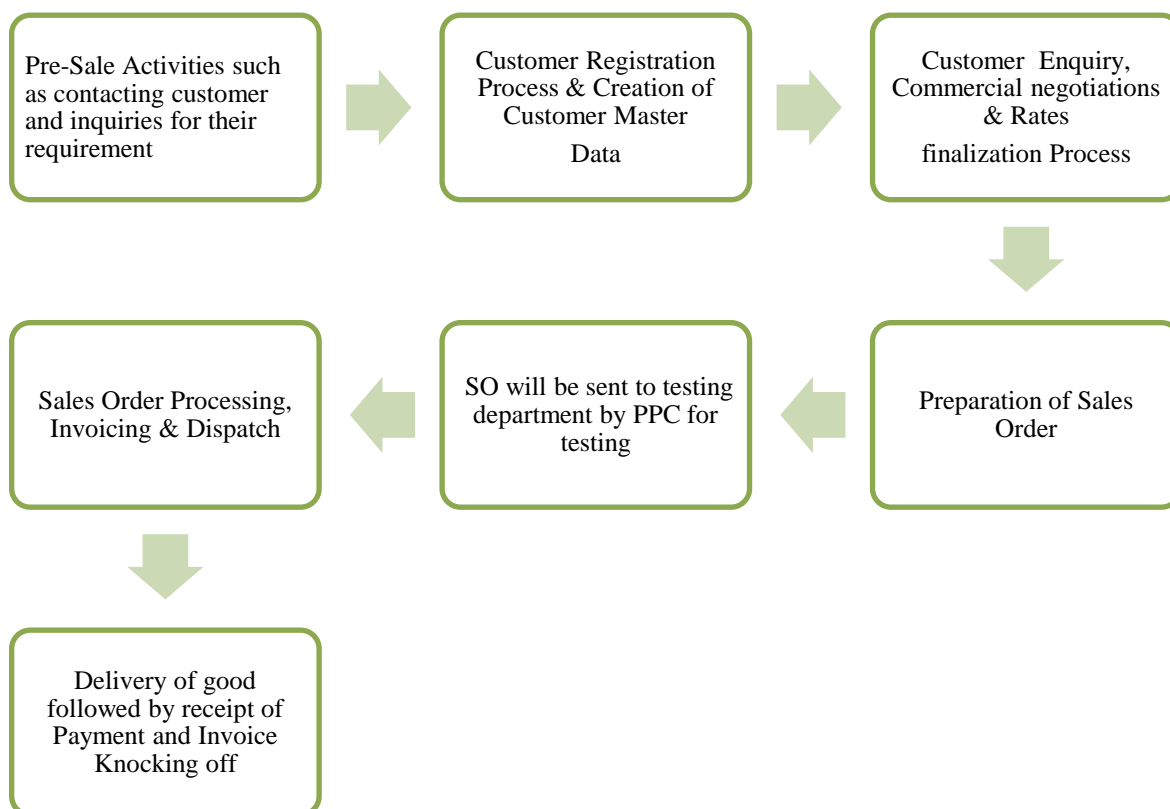
Step 11: Outgoing Quality Control (OQC)

The battery is sent to the Outgoing Quality Control (OQC) department for final inspection. All quality standards are verified, ensuring the battery meets the required specifications.

Step 12: Finished Goods Store

The approved product is handed over to the Finished Goods store, where it's stored properly, awaiting dispatch.

Trading process flowchart



Plant and Machinery

We have the following Plant and Machinery at our Manufacturing facility:

Sr.no.	Machine Name
1.	Manual Cell Sorter
2.	Channel Capacity Testing
3.	Assembling Machine
4.	Automatic Insulation Paper Inserting Machine
5.	Channels Sorting Machine
6.	Battery Testing Machine
7.	Bearing Press Fixture
8.	BMS Testing Machine
9.	Press Machine
10.	Semi -Automatic Straping Machine
11.	Laser Welding Machine
12.	Sorting And Pasting Machine
13.	Heat Shrink Machine
14.	Welding Machine
15.	Packing Machine
16.	Conveyor
17.	Calipers
18.	Solar Controller
19.	Tandem Dynamometer
20.	Three Phase Convertor
21.	Battery Rack

Warranty

Category	Product	Sub-Segment	Warranty Period
E-Mobility	Battery	Automatic Guided Vehicle (AGV)	3 years
	Battery	Bus	3 years
	Battery	Cell	No warranty
	Battery	Drones	3 years
	Battery	E- Rickshaw/ E-Cart (L3)	3 years
	Battery	E-Cycle	3 years
	Battery	High Speed (2W)	3 years
	Battery	Loader/ E-Auto (L5)	3 years
	Battery	Low Speed (2W)	3 years
	Battery	Material Handling equipment (MHE) / Traction	5 years
Battery	Special Application	3 years	
Powertrain	Motor & motor controller	Motor & motor controller	6 months / 1 year
Stationary	Trading	Charger	1 year/3 year
	ESS	ESS (Industrial UPS)	5 years
	ESS	Solar (Lighting and Appliances)	3 years
	ESS	UPS/Inverter	5 years

Raw material

Raw material for our products along with the sources is as below:

Sr No	Product	Place of Purchases/ Origin
1.	Cells	China
2.	Battery Management Systems (BMS)	China, Uttar Pradesh and Delhi
3	Busbar, Frame Assembly, Packing Box, Foldable Handle	Haryana and Maharashtra
4	Cable, Screw	Delhi, Uttar Pradesh and Maharashtra
5	Cell Holder	Uttar Pradesh and Maharashtra
6	Connector	China, Delhi Uttar Pradesh and Maharashtra
7	Gap Filler, Glass Fiber Sleeve, HST Sleeve, Glue stick, Machined Washer, Nut, Ring Type Cable Terminal, Anti Vibration Pad, Sealant, Blue sleeve, Inline Thimble, PG Gland, Thread locker, Tape, Pressure Vent, Acrylic Water proof Tape & Sheet, Sealing Gasket, Wire, Insulator, Spring Loaded Handle, Carbon Conductive Grease L-Type Connecting Lug etc.	Uttar Pradesh and Maharashtra
8	Insulation Sheet, Fuse	Delhi and Maharashtra

Our Supplier Base

Our Company procures raw material from both domestic and international markets. We rely on few suppliers for procuring our materials used in our manufacturing process. Details of top 1, top 3, top 5 and top 10 supplier for the period ended September 30, 2024 and F.Y 2023-24, 2022-23 and 2021-22 are mentioned as below:

(Rs. in lakhs)

Sr.no	Particulars	For September 30, 2024		FY23-24		FY22-23		FY21-22	
		Amount	% of purchases	Amount	% of purchases	Amount	% of purchases	Amount	% of purchases
1	Purchases From Top 1 Supplier	2,763.83	44.10%	1,605.91	18.05%	4,227.70	40.76%	8,380.28	66.19%

2	Purchases From Top 3 Supplier	4,249.90	67.82%	3,489.70	39.23%	8,028.64	77.40%	11,872.00	93.77%
3	Purchases From Top 5 Supplier	4,857.01	77.50%	4,850.17	54.52%	8,753.48	84.39%	12,030.00	95.01%
4	Purchases From Top 10 Supplier	5,268.89	84.08%	7,020.49	78.92%	9,136.70	88.09%	12,225.84	96.56%

Our Utilities

Power

Our manufacturing plants has adequate power supply at Noida with connected load of 472.5 KW from Pashchimanchal Vidyut Vitran Nigam Limited and at Pune with connected load of 470KW from Maharashtra State Electricity Distribution Co. Ltd. We have one Diesel Generator at Noida Plant and a rented one at Pune which have capacity of 250 kva and a transformer.

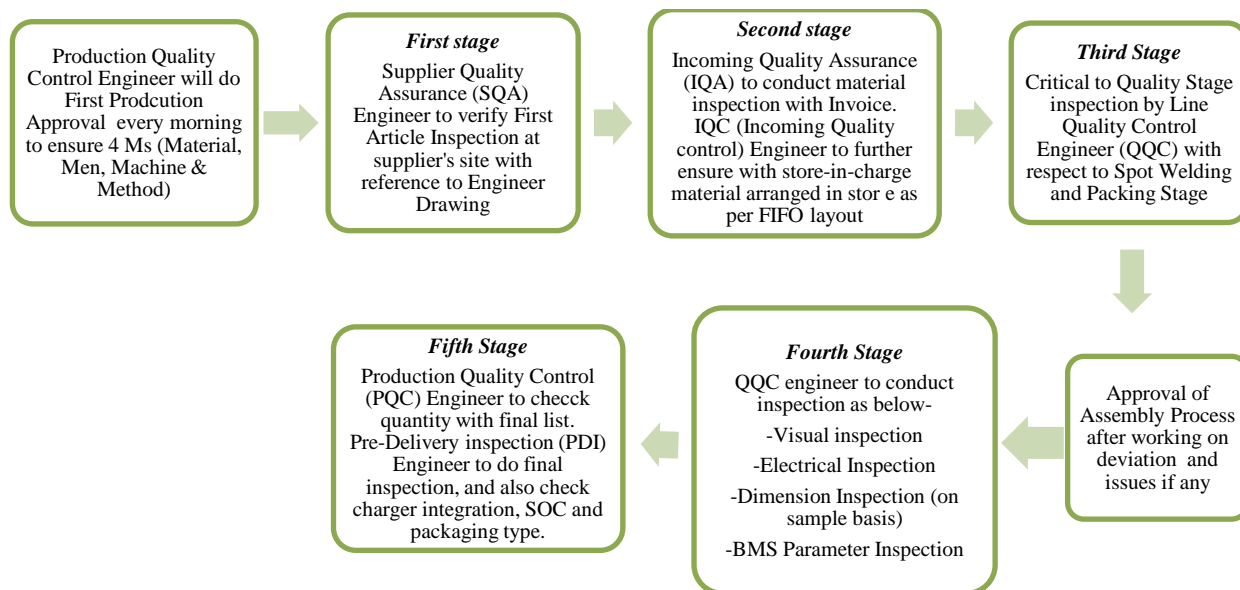
Water

Water is required for human consumption and the requirement is fully met at the existing premises by local suppliers.

Quality Control

We ensure that the battery pack is checked by the dedicated quality control team at various level before the final delivery to the customers. Lithium-ion battery integration requires a special set of skills and expertise to optimize battery performance and durability. As part of our manufacturing process, every single battery is tested by dedicated quality control team at multiple levels before it ships out of the facility. The facility employs techniques to manufacture batteries with the lowest possible energy loss, for longer battery operational life. We use advanced and fully automated cell sorting and grading machines to group cylindrical cells of similar voltage, capacity and internal resistance before using them for our batteries. This process further ensures maximum safety and long battery life. We also check every single Battery Management System (BMS) using specialised testing equipment before installation, further ensuring maximum safety and maximum battery output. As part of our manufacturing process, every single battery is tested by dedicated quality control team using Battery Pack Functionality testers and battery packs ageing machines. Currently we are manufacturing batteries up to 752V, testing of which is manageable with current testing facility.

Process for Quality Control are as below:



Certifications

Sr. No.	Description	Authority	Registration Number	Date of Issue	Date of Expiry
1	Certificate of Registration for Quality Management System#*	Deutsch Quality Systems (India) Private Limited, Member of International Accreditation Forum (IAF), Multilateral Recognition Arrangement	ISO 9001:2015 Registration No. 50258282 QM15	June 13, 2023	June 12, 2026
2	Certificate of Registration for Environment Management Systems#*	Deutsch Quality Systems (India) Private Limited, Member of International Accreditation Forum (IAF), Multilateral Recognition Arrangement	ISO 14001:2015 Registration No. 50258282 UM15	June 13, 2023	June 12, 2026
3	Certificate of Registration for Occupational Health and Safety Management Systems#*	Deutsch Quality Systems (India) Private Limited, Member of International Accreditation Forum (IAF), Multilateral Recognition Arrangement	ISO 45001:2018 Registration No. 50258282 OHS18	June 13, 2023	June 12, 2026
4	Approval Granted for Battery Pack with size of 100AH (ICAT Certificate)*	International Centre for Automotive Technology the division of NATRiP Implementation Society (NATIS), Govt. of India	TAC/reference No. CP9360	June 05, 2023	Valid till new Amendment
5	Approval Granted for Battery Pack with size of 206AH (ICAT Certificate)*	International Centre for Automotive Technology the division of NATRiP Implementation Society	TAC/reference No. CR7604	June 05, 2023	Valid till new Amendment

Sr. No.	Description	Authority	Registration Number	Date of Issue	Date of Expiry
		(NATIS), Govt. of India			
6	Approval Granted for Battery Pack with size of 100AH (ICAT Certificate)*	International Centre for Automotive Technology the division of NATRiP Implementation Society (NATIS), Govt. of India	TAC/reference No. CP9360	June 05, 2023	Valid till new Amendment
7	Approval Granted for Battery Pack with size of 206AH (ICAT Certificate)*	International Centre for Automotive Technology the division of NATRiP Implementation Society (NATIS), Govt. of India	TAC/reference No. CP7604	June 05, 2023	Valid till new Amendment
8	Extension of Approval for Charger requirements of AIS-156 (Part II)/2022, as per amendment 3	The Automotive Research Association of India (ARAI)	Report No.: ARAI/AED/20232024/3 000033612/CT/5623	December 15, 2023	Valid till new Amendment
9	ICAT Certificate 51.2V 100Ah*	International Centre for Automotive Technology the division of NATRiP Implementation Society (NATIS), Govt. of India	Test Report No. CT0GS9428	July 17, 2023	Valid till new Amendment
10	ICAT Certificate 57.6V 62.4Ah*	International Centre for Automotive Technology the division of NATRiP Implementation Society (NATIS), Govt. of India	Test Report No. CT0GR9066	March 11, 2022	Valid till new Amendment
11	ICAT Certificate 57.6V 48Ah*	International Centre for Automotive Technology the division of NATRiP Implementation Society (NATIS), Govt. of India	Test Report No. CT0GS9801	December 15, 2023	Valid till new Amendment
12	ARAI Certificate 60.8V 100Ah-A*	The Automotive Research Association of India (ARAI)	ARAI/AED/20232024/3 000030840/CT/5262	July 17, 2023	Valid till new Amendment
13	ARAI Certificate 60.8V 100Ah-B*	The Automotive Research Association of India (ARAI)	ARAI/AED/20232024/3 000030840/CT/5264	July 17, 2023	Valid till new Amendment
14	ARAI Certificate 64V 100Ah*	The Automotive Research Association of India (ARAI)	ARAI/AED/20232024/3 000030840/CT/5263	July 17, 2023	Valid till new Amendment
15	ARAI Certificate 60.8V 200Ah*	The Automotive Research Association of India (ARAI)	ARAI/AED/20232024/3 000031736/CT/5375	August 30, 2023	Valid till new Amendment
16	ARAI Certificate 51.2V 200Ah*	The Automotive Research Association of India (ARAI)	ARAI/AED/20232024/3 000029718/CT/5116	June 07, 2023	Valid till new Amendment
17	ICAT Certificate 92.8V 206Ah*	International Centre for Automotive Technology the division of NATRiP Implementation Society (NATIS), Govt. of India	TAC/reference No. CR7604	April 24, 2024	Valid till new Amendment

Sr. No.	Description	Authority	Registration Number	Date of Issue	Date of Expiry
18	Motor 48V 1.5kW*	The Automotive Research Association of India (ARAI)	ARAI/AED/20232024/3000029639/CT/5092	May 18, 2023	Valid till new Amendment
19	Motor 60V 1.75kW*	The Automotive Research Association of India (ARAI)	ARAI/AED/20232024/3000031468/CT/5323	August 16, 2023	Valid till new Amendment
20	TSEC 48V 100Ah*	Bharat Sanchar Nigam Limited	NCR/074/24-25	May 30, 2024	Valid till new Amendment
21	TSEC 48V 50Ah *	Bharat Sanchar Nigam Limited	NCR/304/23-24	March 25, 2024	Valid till new Amendment

Our Company is yet to make applications to respective authorities for updating each of the aforesaid certificates to reflect its current name pursuant to change in name of Company from 'JLNPhenix Energy Private Limited' to 'CLN Energy Private Limited'.

* Our Company is yet to make applications to respective authorities for updating each of the aforesaid certificates to reflect its current name pursuant to conversion into a public limited company.

Marketing and Distribution

Our Marketing achievements are founded on the strength of our customer relationships and being able to deliver customer specific products with best quality that meet the customer's purpose and use the technology in the best way possible to achieve that objective. We interact with our customers on regular basis and make follow-ups with the purpose to gaining an insight to their demand and requirement which enables us in understanding the customer's need serving them in better way. Hence, we have been able to get repeated orders from our customers from various industries in which we serve. Our sales and marketing team along with our KMP's through their vast experience and good rapport with customers has helped us to expand the sales network of our company. We have experienced and skill management team to motivate the sub-ordinates and staff to step towards their achievements and organizational goals. With their efficient management skills and co-ordination with sub-ordinate, they are always working as a catalyst to encourage the entire team for the development and nourishment of the organization.

Our products are also sold through distributor network chain. Currently we have around 112 distributors for our products such as batteries, powertrain, chargers, BESS, inverter, solar panels etc. Currently our distribution networks are present in states such as Uttar Pradesh, Punjab, Haryana, Delhi, Rajasthan, Jharkhand, Madhya Pradesh, Uttarakhand, Bihar, West Bengal etc. Further we have plans to increase our distributor base to 500 in the next two year as we look to ramp up our production and sales after infusion of fresh equity capital. We follow a proper distributor appointment process which includes survey and checklist. To further grow our business and bring ease and efficiency, we have started automation of ordering facility for our products. With our national presence we believe we will be able to reach target customers. We have dedicated sales and marketing team to identify new customers as well as to undertake initiatives to hold a greater market share. With the smooth flow of funds in the business we can separately allocate some funds for the marketing and distributing set up and initiatives.

Details of distributors state wise are as below:

Name of States	No of Distributor
Haryana	20
Uttar Pradesh	42
Punjab	9
Delhi	8
Bihar	8
Madhya pradesh	7
Jharkhand	6
Uttarakhand	5
West Bengal	4

Name of States	No of Distributor
Rajasthan	3
Total	112

Product support and after-sales service

Our Company provides product support by being equipped with genuine parts and spares along with stock management of the same and service technicians to ensure easy and timely availability of the same. In the next two years, our company intends to establish a state-level service network with 500 distributors who will be added to our network channels and own regional service centre. Our Company also ensures technical training for all service technicians from time to time. We will be ensuring customer satisfaction through well-defined SLA and TAT.

Health, Safety and Environment

Our activities are subject to the environmental laws and regulations of India. We consider environmental issues to be an important factor in our operations and we take various measures to ensure that our operations do not negatively impact the environment. Our Company's policy aims to provide innovative solutions to the growing challenges of the modern energy industry, enhance customer satisfaction, and create a safe and healthy working environment by continual improvement, organisational excellence through employee skill development and technology upgradation. We are also subject to Environment Protection Regulations for which necessary disposal arrangement for the battery will be made at the end of its life.

Our Company has taken various safety measures for fire accidents. We have installed hydrant at our facility, fire and smoke alarms and has deployed special fire suppression systems for lithium-ion batteries. Our Company schedules fire and safety training for our employees and also conducts mock testing of same from time to time to ensure we are well prepared for any unfortunate events. Our company also has gets fire and safety audit from third party and has also obtained NOC from fire department. Our Company also ensures fire and safety arrangements at the regional service centre. For information regarding applicable health, safety and environmental laws and regulations, see "Key Regulations and Policies" on page 133.

Competition

We believe that the principal factors affecting competition in our business include customer relationships, technology, research and development on product, quality, reputation, market focus, price of the products and any ancillary service provided. We face competition from various domestic and other players in the market. We intend to continue competing vigorously to capture more market share and manage our growth in an optimal way. We expect that our commitment to quality, new developments through research team, past record of timely execution and transparency will provide us with an edge over our competitors. Our Company ensures quality, timely supply of the products and has been able to serve our customers with minimal complaints. Therefore, the customers provide us more business opportunities deals due to our work, reputation and trust build over the years. The focus will be on expanding to the huge untapped markets in India as substantial part of the funds will be utilized to strengthen this aspect. We therefore believe that we will be able to grow in a healthy way despite competition.

Capacity and Capacity Utilisation

Our Company manufactures lithium-ion batteries and motors. Our company has an installed capacity of 60,000 motors, with production beginning in the current financial year 2024-25, we have utilised 15% during the period ended September 30, 2024. Installed & Capacity utilization details of our production facilities of lithium-ion batteries for the period ended September 30, 2024 and last three financial years are entailed below:

Particular	UOM*	Installed Capacity	Utilised Capacity**	Installed Capacity	Utilised Capacity	Installed Capacity	Utilised Capacity	Installed Capacity	Utilised Capacity
		For the period ended September 30, 2024		F.Y. 23-24		F.Y. 22-23		F.Y. 21-22	
NOIDA									
Two-Wheeler Battery									
Cell Grading Capacity (a)	MWH	136	10%	136	12%	124	15%	41	45%

Particular	UOM*	Installed Capacity	Utilised Capacity**	Installed Capacity	Utilised Capacity	Installed Capacity	Utilised Capacity	Installed Capacity	Utilised Capacity
		For the period ended September 30, 2024		F.Y. 23-24		F.Y. 22-23		F.Y. 21-22	
Cell Sorting Capacity (b)	MWH	328	4%	328	5%	301	6%	39	47%
Manufacturing Capacity (c)	MWH	100	14%	100	16%	91	21%	36	51%
Battery Testing Capacity (d)	MWH	22	63%	22	72%	22	87%	22	83%
Production Capacity/3 Shifts (Min of a, b, c or d)	MWH	22	63%	22	72%	22	87%	22	83%
Other than two-wheeler Battery									
Cell Grading Capacity (a)	MWH	41	77%	41	72%	38	40%	10	30%
Cell Sorting Capacity (b)	MWH	110	29%	110	27%	100	15%	16	19%
Manufacturing Capacity (c)	MWH	115	27%	115	26%	105	15%	16	19%
Battery Testing Capacity (d)	MWH	41	77%	41	72%	77	20%	6	50%
Production Capacity/3 Shifts (Min of a, b, c or d)	MWH	41	77%	41	72%	38	40%	6	50%
Total Capacity of Noida unit	MWH	63	-	63	-	50	-	28	-
PUNE									
Two-wheeler Battery									
Cell Grading Capacity (a)	MWH	32	16%	32	53%	30	20%	-	-
Cell Sorting Capacity (b)	MWH	30	17%	30	57%	27	23%	-	-
Manufacturing Capacity (c)	MWH	30	17%	30	57%	27	23%	-	-
Battery Testing Capacity (d)	MWH	50	10%	50	34%	46	13%	-	-
Production Capacity/3 Shifts (Min of a, b, c or d)	MWH	30	17%	30	57%	27	23%	-	-
Total Capacity of Pune Unit	MWH	30	-	30	-	27	-	-	-
Grand – Total	MWH	93		93		87		28	

*Unit of measurement is MWH per annum

**Utilised Capacity for September 30, 2024 is not annualized.

The current manufacturing facilities, located in Noida (42,000 sq ft) and Pune (21,000 sq. ft), have a combined capacity for producing two-wheeler batteries, encompassing cell grading, cell sorting, manufacturing, and battery testing. The total capacity for two-wheeler batteries stands at 168 MWH per annum for cell grading, 358 MWH per annum for cell sorting, 130 MWH per annum for manufacturing, and 72 MWH per annum for battery testing. Additionally, our facilities have a capacity for producing other types of batteries, with 41 MWH per annum for cell grading, 110 MWH per annum for cell sorting, 115 MWH per annum for manufacturing, and 41 MWH per annum for battery testing. **The production of batteries depends on all four capacities, and our product must pass through all four processes/machines. Therefore, a lower installed capacity in any one process will lead to lower production. So, there is under utilisation of capacity in some process.**

Customer Base

The end user of our products is Electric Vehicle Industry, Golf cart manufacturing companies, Commercial and Industrial application, Material and equipment handling Industry, Solar Industry and Telecommunication Industry. The percentage of revenue derived from our top 1, 5 and 10 customers for the period ended September 30, 2024 and for financial year 2023-24, 2022-23 and 2021- 22 based on revenue from sale of products and services is as given below:

(Rs in lakhs)

Sr.no	Particulars	For the period ended September 30,2024		FY23-24		FY22-23		FY21-22	
		Amount	% of Revenue from Operation	Amount	% of Revenue from Operation	Amount	% of Revenue from Operation	Amount	% of Revenue from Operation
1	Income from top 1 Customer	1,640.14	21.97%	4,521.07	34.15%	1,645.38	12.80%	808.65	6.65%
2	Income from top 5 Customer	4,298.62	57.57%	8,271.01	62.48%	5,064.68	39.39%	3,310.54	27.29%
3	Income from top 10 Customer	5,334.51	71.45%	9,737.82	73.56%	6,786.22	52.78%	5,336.71	43.91%

Human Resources

Our company believes that our ability to maintain growth depends on our strength in attracting, training, motivating and retaining employees. We have developed an efficient pool of skilled and experienced personnel. We also hire labour on contractual basis. Our manpower is a prudent mix of the experienced and young people which gives us the dual advantage of stability and growth, execution of services within time and quality. Our skilled resources together with our strong management team have enabled us to successfully implement our growth plans. As on September 30, 2024, we had 155 employees on our payroll and 286 employees on contract basis. The following table sets forth the number of our employees for each department as on September 30, 2024:

Department	Number of Employees as on September 30, 2024
Executive Director	2
Key Managerial Personnel	9
Finance & Accounts	10
Human Resource & Administration	4
IT	2
Production/ Manufacturing	30
Quality and Testing	20
Research & Development	15
Sales & Marketing	39

Service	24
Total	155

Intellectual Property

As on the date of this Prospectus, we have 17 registered trademarks for which we have obtained valid registration certificates under various classes under the Trademarks Act in India. Further, we are still to obtain the status of “registered” for our 3 trademarks. Details of our trademark are given below:

Sr No	Name	Class	Status	Application No
1	CHARGYY	9	Registered	4727580
2	CLN	7	Registered	5584416
3	CLN	12	Registered	5584418
4	CLN	37	Registered	5584419
5	CLN	39	Registered	5584420
6	CLN	40	Registered	5584421
7	CLN Energy	12	Registered	5825864
8	CLN Energy	37	Registered	5825866
9	CLN Energy	39	Registered	5825868
10	CLN Energy	40	Registered	5825870
11	JLNPhenix Logo	9	Registered	4378699
12	CLN	9	Registered	5588417
13	CLN Energy	7	Registered	5825856
14	CLN Energy	9	Registered	5825860
15	CLN	12	Registered	5954336
16	CLN	39	Registered	5954338
17	CLN	40	Registered	5954339
18	CLN	7	Objected	5954334
19	CLN	9	Objected	5954335
20	CLN	37	Accepted & Advertised	5954337

Our Company has also filed for following patents:

Sr No	Name	Status	Application Number
1	CLN Energy	Awaiting Request for Examination	202211050911
2	CLN Energy	Awaiting Request for Examination	202211056073
3	CLN Energy	Awaiting Request for Examination	202211056074

Property

Leased Properties:

Sr.no	Description of Property	Lessor	Term	Lease Rent	Purpose
1.	Plot No.18, Sector -140, Phase-2, Nepz Post Office, Gautam Buddha Nagar, Dadri, 201305 Uttar Pradesh-,India. Area: Building area of 42000 sq.ft.	M/s Prahlad Enterprises Private Limited	9 years 20 th October 2021 to 19 th October 2030	8.5 Lakhs per month (increase @ 5% after every year) Security Deposit- 25.50 Lakhs	Manufacturing facility and Registered Office (Shared Office by Promoter Group Entity)
2.	Gat No. 375/1, and 376, Village Koregaon Bhima, Pune, Maharashtra- 412216.	M/s. Patodia Glass Industries Limited	5 years 1 st February 2022 to 31 st	3.15 Lakhs per month (increase @ 5% after	Manufacturing Facility

Sr.no	Description of Property	Lessor	Term	Lease Rent	Purpose
	Area: 21,000 sq.ft		January 2027	every year) Security Deposit- 15.75 Lakhs	

Insurance

Our operations are subject to hazards inherent in manufacturing facilities such as risk of equipment failure, work accidents, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions including hazards that may cause injury and loss of life, severe damage to and the destruction of property and equipment, and environmental damage. We maintain insurances for the same from Bajaj Allianz General Insurance Company Limited, United India Insurance Company Limited, The New India Assurance Company limited and Chola MS General Insurance.

Details of our insurance are as below:

Sr. No	Insurance Company	Type of Policy/ Description	Policy Number	Valid Upto	Sum Insured (in Rs. lakhs)
1.	The New India Assurance Co. Ltd.	Fire Declaration Policy-On Stock of all kind of Raw Materials, Semi Finished, finished goods, Packing Materials, Stocks in Process, Stores, Spares, Consumables including goods held in trust/commission are held covered	34020011230200000001	18 February, 2025	5,000
2.	United India Insurance Company Limited	Commercial General Liability	2214002724P104389949	23 June, 2025	1,000
3.	Tata AIG General Insurance Company Ltd.	Director and Officer Liability Insurance	2309009053	23 August, 2025.	1,000
4.	Tata AIG General Insurance Company Ltd.	Employee	0239735379	20 November, 2025.	3264
5.	Tata AIG General Insurance Company Ltd.	Employee	0239734743	20 November, 2025.	2825
6.	Reliance General Insurance Limited.	Marine Cargo	13052242429M00166	11 December, 2025.	Export-1,999.93 Import-6,500 Domestic Sales-18,000 Domestic Purchase-2,000 Domestic Others-

Sr. No	Insurance Company	Type of Policy/ Description	Policy Number	Valid Upto	Sum Insured (in Rs. lakhs)
					2,700
7.	Chola MS General Insurance	Building and Burglary & Housebreaking	2150/00121695/000/01	30 May, 2025.	450
8.	Chola MS General Insurance	Building, Burglary & Housebreaking, Money insurance, Electronic equipment, All Risks-Portable Computers & Mobile Phone and Machine Breakdown	2150/00122072/000/01	30 May, 2025.	3,850

KEY REGULATIONS AND POLICIES

The following description is an overview of certain sector-specific relevant laws and regulations in India which are applicable to the operations of our Company and our Subsidiary and its business. The description of laws and regulations set out below is not exhaustive and is only intended to provide general information to Bidders. The information in this section is neither designed nor intended to be a substitute for professional legal advice and investors are advised to seek independent professional legal advice.

The statements below are obtained from publications available in the public domain based on the current provisions of applicable Indian law, and the judicial, regulatory and administrative interpretations thereof, which are subject to change or modification by legislative, regulatory, administrative, quasi-judicial or judicial decisions/actions and our Company and our Subsidiary are under no obligation to update the same.

A. INDUSTRY RELATED LAWS AND REGULATIONS

The Information Technology Act, 2000 and the rules made thereunder

The Information Technology Act, 2000 (the "IT Act") was enacted with the purpose of providing 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. The IT Act also seeks to facilitate electronic filing of documents and create a mechanism for the authentication of electronic records through digital signatures. The IT Act prescribes punishment for publishing and transmitting obscene material in electronic form. It provides for extraterritorial jurisdiction over any offence or contravention under the IT Act committed outside India by any person, irrespective of their nationality, if the act or conduct constituting the offence or contravention involves a computer, computer system or computer network located in India. The Information Technology (Procedure and Safeguards for Blocking for Access of Information by Public) Rules, 2009 specifically permit the Government of India to block access of any information generated, transmitted, received, stored, or hosted in any computer resource by the public, the reasons for which are required to be recorded by it in writing.

Under the Information Technology Act, 2000, we are subject to civil liability to compensate for causing wrongful loss or wrongful gain to any person, while possessing, dealing or handling any sensitive personal data or information in a computer resource owned, controlled or operated by us due to negligence in implementing and/or maintaining reasonable security practices and procedures.

The IT Act and the Information Technology (Amendment) Act, 2008, which amended the IT Act, facilitate electronic commerce by recognizing contracts concluded through electronic means, protects intermediaries in respect of third-party information liability under specified circumstances, and creates liability for failure to protect sensitive personal data. The IT Act also prescribes civil and criminal liability including fines and imprisonment for computer related offences including those relating to unauthorized access to computer systems, tampering with or unauthorized manipulation of any computer, computer system or computer network and, damaging computer systems and creates liability for negligence in dealing with or handling any sensitive personal data or information in a computer resource and in maintaining reasonable security practices and procedures in relation thereto.

In April 2011, the Department of Information Technology, Ministry of Electronics and Information Technology, Government of India ("DoIT"), in exercise of its power to formulate rules with respect to reasonable security practices and procedures and sensitive personal data, notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 ("SPDI Rules ") in respect of Section 43A of the IT Act, 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. Under the SPDI Rules, sensitive personal data is defined to include personal information relating to passwords, financial information such as bank account or credit card or debit card or other payment instrument details, physical, physiological, and mental health condition, sexual orientation, medical records, biometric information and so on.

The SPDI Rules require every such body corporate, or person acting on behalf of a body corporate, to provide a privacy policy for collecting, receiving, possessing, storing, 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 SPDI Rules further require that all such personal data be used solely for the purposes for which it was collected, and any collection or 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.

The Micro, Small and Medium Enterprises Development Act, 2006 (“MSME Act”)

MSME Act was enacted to provide for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. Any person who intends to establish (a) a micro or small enterprise, at its discretion; (b) a medium enterprise engaged in providing or rendering of services may, at its discretion; or (c) a medium enterprise engaged in manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 is required to file a memorandum before such authority as specified by the State Government or the Central Government. The form of the memorandum, the procedure of its filing and other matters incidental thereto shall be such as may be specified by the Central Government, based on the recommendations of the advisory committee. Accordingly, in exercise of this power under the MSME Act, the Ministry of Micro, Small and Medium Enterprises notification dated September 18, 2015 specified that every micro, small and medium enterprises is required to file a Udyog Aadhar Memorandum in the form and manner specified in the notification.

Consumer Protection Act, 2019 (the “Consumer Protection Act”) and the rules made thereunder

The Consumer Protection Act, which repeals the Consumer Protection Act, 1986, was designed and enacted to provide simpler and quicker access to redress consumer grievances. It seeks, inter alia to promote and protects the interests of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be practiced by manufacturers, service providers and traders. The definition of “consumer” has been expanded under the Consumer Protection Act to include persons engaged in offline or online transactions through electronic means or by tele-shopping or direct-selling or multi-level marketing. One of the substantial changes introduced by Consumer Protection Act is inclusion of the e-commerce industry under Consumer Protection Act with “e-commerce” defined to refer to the buying and selling of goods or services over digital or electronic network. Therefore, the Consumer Protection Act aims to cover entities that are involved in the process of selling goods or services online. It provides for the establishment of consumer disputes redressal forums and commissions for the purposes of redressal of consumer grievances. In addition to awarding compensation and/or passing corrective orders, the forums and commissions under the Consumer Protection Act, in cases of misleading and false advertisements, are empowered to impose imprisonment for a term which may extend to two years and fine which may extend to ten lakhs. In cases of manufacturing for sale or storing, selling, or distributing or importing products containing an adulterant, the imprisonment may vary between six months to seven years and fine between one lakh to ten lakh depending upon the nature of injury to the consumer.

The Consumer Protection (E-Commerce) Rules, 2020 (the “Consumer Protection Rules”)

The Central Government has notified the Consumer Protection (E-Commerce) Rules, 2020, in exercise of its powers conferred by the Consumer Protection Act, 2019. The Consumer Protection Rules primarily envisages the duties & liabilities of ecommerce entities involved in marketing and selling goods and services to the consumer on the online platform. The Consumer Protection Rules will be applicable to all electronic retailers (e-tailers), registered in India or abroad but offering goods and services to Indian consumers. It empowers the Central Government to act against unfair trade practices in e-commerce, direct selling. They require e-tailers to facilitate easy returns, address customer grievances and prevent discriminating against merchants on their platforms. The Consumer Protection Rules will apply to all goods and services bought or sold over any digital platform; all models of e-commerce including marketplace and inventory models of e-commerce; all e-commerce retail, including multi-channel single brand retailers and single brand retailers in single or multiple formats; all forms of unfair trade practices across all models of e-commerce. The Consumer Protection Rules are equally applicable on the foreign registered e-commerce entity offering goods and services to consumers in India.

Bureau of Indian Standards Act, 1986

The Bureau of Indian Standards Act, 2016 (the "BIS Act") provides for the establishment of a national standards body for the harmonious development of the activities of standardization, conformity assessment and quality assurance of goods, articles, processes, systems and services. The BIS Act provides for establishment of Bureau of Indian Standards which will formulate, implement and certify certain standards of quality for goods, services, articles, processes and systems. The Government of India, through Ministry of Consumer Affairs, Food & Public Distribution and the Ministry of Electronics & Information Technology, amongst others, regulate manufacturing or storing for sale, import, selling or distribution of goods which do not conform to the Indian Standard specified in the BIS Act, by way of passing orders. The orders can provide for compulsory registration for undertaking any of the specified activities relating to an identified category of product.

The Digital Personal Data Protection Bill, 2022 (“Data Protection Bill”)

The Central Government has released the draft Data Protection Bill on November 18, 2022. The Data Protection Bill provides for collection and processing of digital personal data by companies. According to the Data Protection Bill companies collecting and dealing in high volumes of personal data will be defined as significant data fiduciaries. These significant data fiduciaries will be required to fulfil certain additional obligations under the Data Protection Bill including appointment of a data protection officer who will be the point of contact between such fiduciaries and individuals for grievance redressal. Further such data fiduciaries will also be required to appoint a data auditor who will evaluate their compliance with the Data Protection Bill (if and once passed into law).

Shops and Establishments Legislations

Establishments are required to be registered under the provisions of local shops and establishments legislations applicable in the states where such establishments are set up. Such legislations regulate the working and employment conditions of workers employed in such 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. Shops and establishments have to be registered under the shops and establishments legislations of the respective states where they are located.

Transfer of Property Act, 1882

The Transfer of Property Act, 1882 (the “*T.P. Act*”) governs the transfer of property, including immovable property, between natural persons excluding a transfer by operation of law. The T.P. Act establishes the general principles relating to the transfer of property, including among other things, identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. The T.P. Act also provides for the rights and liabilities of the vendor and purchaser in case of a transaction relating to sale of property and the lessor and lessee if the transaction involves lease of land, as the case may be.

Sale of Goods Act, 1930

The Sale of Goods Act, 1930 (the “*Sale of Goods Act*”) governs contracts relating to the sale of goods. The contracts for sale of goods are subject to the general principles of the law relating to contracts. A contract for sale may be an absolute one or based on certain conditions. The Sale of Goods Act contains provisions in relation to the essential aspects of such contracts, including the transfer of ownership of goods, delivery of goods, rights and duties of the buyer and seller, remedies for breach of contract and the conditions and warranties implied under a contract for the sale of goods.

The Registration Act, 1908

The Registration Act, 1908 (the “*Act*”) was passed to consolidate all the previous legislations which were enacted in relation to the registration of documents. This Act was promulgated to achieve the purpose of maintaining a proper regulatory record of transactional documents with a recognized officer in order to safeguard the original copies. The Act lays down two types of registration of documents, one being mandatory registration, which has been laid down under Section 17 of the Act and relates to documents such as, *inter alia* gift deed or transfer deed for an immovable property, non-testamentary instruments purporting to an interest in any immovable property, leasing or renting an immovable property. The other type of registration has been laid down under Section 18 of the Act which provides for the category of documents, registration of which is optional or discretionary and include, wills, instrument for transfer of shares, adoption deeds, etc. Failure to register a document under Section 17 of the Act can attract severe consequences, including declaration of invalidity of the transfer in question; however, no such consequence is attracted in case of Section 18 of the Act. Sections 28 and 31 of the Act provide the sub-registrars and other officers, the authority to register documents under this Act. Registration of a document, provides authenticity to a document and also acts as a conclusive proof in relation to the execution of such a document in the court of law.

The Indecent Representation of Women (Prohibition) Act, 1986 (“IRWA”)

The IRWA prohibits indecent representation of women through advertisements, publications, writings, paintings, figures or in any other manner. It states that no person shall publish or release any advertisements involving an obscene portrayal of women or agree to participate in the publication or show, in any form. In the event an offence under IRWA has been committed by a company, every person, who, at the time the offence was committed was in-charge of, and was responsible to, the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly.

Factories Act, 1948

The term 'factory', as defined under the Factories Act, means any premises which employs or has employed on any day in the previous 12 months, 10 or more workers and in which any manufacturing process is carried on with the aid of power, or any premises wherein 20 or more workmen are employed at any day during the preceding 12 months and in which any manufacturing process is carried on without the aid of power. State Governments have issued rules in respect of the prior submission of plans and their approval for the establishment of factories and registration and licensing of factories.

The Factories Act requires the 'occupier' of a factory to ensure the health, safety and welfare of all workers in the factory premises. Further, the "occupier" of a factory is also required to ensure (i) the safety and proper maintenance of the factory such that it does not pose health risks to persons in the factory premises; (ii) the safe use, handling, storage and transport of factory articles and substances; (iii) provision of adequate instruction, training and supervision to ensure workers' health and safety; and (iv) cleanliness and safe working conditions in the factory premises. If there is a contravention of any of the provisions of the Factories Act or the rules framed thereunder, the occupier and manager of the factory may be punished with either imprisonment or fine or both.

Laws Relating to the Specific State Where Our Establishment Is Situated Maharashtra Industrial Policy, 2019

The Maharashtra Industrial Policy, 2019 (the "Industrial Policy") envisages making Maharashtra USD 1 Trillion economy in the country, by augmenting manufacturing ecosystem, complemented by ease of doing business initiatives, thereby evolving it into a preferred destination for global manufacturers and investors, resulting into largest employment creating state with balanced regional and inclusive growth, by 2025. In the Industrial Policy, the target has been to attain manufacturing sector growth rate of 12% to 13% to reach GSDP share of 25% by 2023-24; to attract investments worth INR 1 0 lakh crore by 2023-24 and to create employment opportunities for 40 lakh people by 2023-24.

Some of the objectives and strategies of the policy includes retaining leadership position in industrial investment by providing conducive business environment, creating land bank for industries through MIDC, promoting investments through sector specific promotion/policies with focus on identified thrust sectors, incentivizing investments in R&D and start-ups, facilitating 'Ease of Doing Business' initiatives and strengthening Maharashtra's Single Window System i.e. MAITRI - an online portal, making a single point for delivery of services, setting up of State level councils for promotion of investments and exports etc.

Shops and Commercial Establishments Legislation

The Company is governed by shops and establishments legislations, as applicable in the States of Uttar Pradesh. These regulations regulate the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of inter alia registration, opening and closing hours, daily and weekly working hours, holidays, leave, health, and safety measures, and wages for overtime work. These establishments of the company will be governed by the acts, rules, and regulations of the respective states.

Indian Stamp Act, 1899 ("Stamp Act")

Legislations pertaining to Stamp Duty Stamp duty in relation to certain specified categories of instruments as specified under Entry 91 of the list, is governed by the provisions of the Indian Stamp Act, 1899 (“Stamp Act”) which is enacted by the Central Government. All others instruments are required to be stamped, as per the rates prescribed by the respective State Governments in the respective schedules of the respective legislations pertaining to stamp duty as applicable in the State. Stamp duty is required to be paid on all the documents that are registered and as stated above the percentage of stamp duty payable varies from one State to another. Certain State in India have enacted their

own legislation in relation to stamp duty while the other State have adopted and amended the Stamp Act, as per the rates applicable in the State. On such instruments stamp duty is payable at the rates specified in Schedule I of the Stamp Act. 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. The Stamp Act also provides for impounding of instruments which are not sufficiently stamped or not stamped at all. Unstamped and deficiently stamped instruments can be impounded by the authority and validated by payment of penalty. The amount of penalty payable on such instruments may vary from State to State.

Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975

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 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.

Maharashtra Factories Rules, 1963 ("Factories Rules")

The Factories Rules were notified by State of Maharashtra within the framework of Factories Act, 1948 which is a social legislation that has been enacted for occupational safety, health, and welfare of workers at workplace. As per the Factories Rules an application for obtaining prior permission for the site on which the factory is to be situated and for the construction or extension of a factory shall be made to the Chief Inspector of Factories which shall grant the license with terms and conditions after being satisfied that there is no objection to the same.

B. INTELLECTUAL PROPERTY LAWS

Intellectual property rights refer to the general term for intangible, intellectual, industrial property rights through patents, copyrights and trademarks and includes geographical indications, trade secrets, and confidential information. These property rights allow the holder to exercise a monopoly on the use of the item for a specified period.

The Copyright Act, 1957

The Copyright Act, 1957, along with the Copyright Rules, 2013 ("Copyright Laws") governs copyright protection in India. The Copyright Laws protect the legal rights of the creator of an 'original work' by preventing others from reproducing the work in any other way. The intellectual property protected under the Copyright Laws includes literary works, dramatic works, musical works, artistic works, cinematography, and sound recordings. Even while copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration under the Copyright Laws acts as prima facie evidence of the particulars entered therein and helps expedite infringement proceedings and reduce delay caused due to evidentiary considerations. The Copyright Laws prescribe a fine, imprisonment or both for violations, with enhanced penalty on second or subsequent convictions. Upon registration, the copyright protection for a work exists for a period of 60 years following, the demise of the author. Reproduction of a copyrighted work for sale or hire, issuing of copies to the public, performance, or exhibition in public, making a translation of the work, making an adaptation of the work, and making a cinematograph film of the work without consent of the owner of the copyright are all acts which expressly amount to an infringement of copyright.

The Trademarks Act, 1999 (the "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 trade mark, 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 is 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 Trademark (Amendment) Act, 2010 also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to conform Indian trademark law with international practice.

The Patents Act, 1970 (the “Patents Act”)

The Patents Act recognises both product and process patents and prescribes eligibility criteria for grant of patents, including the requirement that an invention satisfy the requirements of novelty, inventive step and industrial applicability in order for it to avail patent protection. However, the Patents Act also provides that patent protection may not be granted to certain specified types of inventions and materials even if they satisfy such criteria. Application by an Indian resident to any foreign authority in respect of an invention made outside India is prohibited without first making an application for the invention in India. Once granted, a patent remains valid for a period of twenty years from the date of filing of the patent application, subsequent to which it can be renewed. While the Patents Act prohibits patentability of a ‘computer programme’ as such, computer programmes in combination with a novel hardware are patentable. Computer programmes on their own are excluded from patent protection and are protected as a literary work under the Copyright Act, 1957. In terms of the Patent Act, the patentee holds the exclusive right to prevent third parties from the using, offering for sale, selling or importing for such purposes, the patented product or product obtained directly by a process patented in India.

The Designs Act, 2000 (the “Designs Act”)

The Designs Act prescribes for the registration of designs. The Designs Act specifically lays down the essentials of a design to be registered and inter alia, provides for application for registration of designs, copyright in registered designs, etc. A ‘Design’ means only the features of shape, configuration, pattern, ornament or composition of lines or s or combination thereof applied to any article whether two dimensional or three dimensional or in both forms, by any industrial process or means, whether manual, mechanical or chemical, separate or combined, which in the finished article appeal to and are judged solely by the eye, but does not include any mode or principle or construction or anything which is in substance a mere mechanical device, and expressly excludes works accorded other kinds of protection like property marks, trademarks and copyrights. Any person claiming to be the proprietor of a new or original design may apply for registration of the same before the Controller-General of Patents, Designs and Trade Marks. On registration, the proprietor of the design attains a copyright over the same. The duration of the registration of a design in India is initially ten years from the date of registration. No person may sell, apply for the purpose of sale or import for the purpose of sale any registered design, or fraudulent or obvious imitation thereof.

Municipality Laws

Pursuant to the Constitution (Seventy-Fourth Amendment) Act, 1992, the respective state legislatures in India have power to endow the municipalities with power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India. The respective States of India have enacted laws empowering the municipalities to issue trade license for operating stores and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

Approvals from Local Authorities

Setting up of a Factory or Manufacturing/Housing unit/Establishments entails the requisite Planning approvals to be obtained from the relevant Local Panchayat(s) outside the city limits and appropriate Metropolitan Development Authority within the city limits. Consents from the state Pollution Control Board(s), the relevant state Electricity Board(s), the State Excise Authorities, Sales Tax, are required to be obtained before commencing the building of a factory or the start of manufacturing operations.

C. TAX LAWS

In addition to the aforementioned material legislations which are applicable to our Company, some of the tax legislations that may be applicable to the operations of our Company include:

- Income-tax Act 1961, the Income-tax Rules, 1962, as amended by the Finance Act in respective years;
- Central Goods and Services Tax Act, 2017, the Central Goods and Services Tax Rules, 2017 and various state-wise legislations made thereunder;

- The Integrated Goods and Services Tax Act, 2017 and rules thereof;
- Professional tax-related state-wise legislations;
- Indian Stamp Act, 1899 and various state-wise legislations made thereunder; and

D. ENVIRONMENTAL LAWS

The Environment (Protection) Act, 1986 (“EPA”)

The EPA has been enacted for the protection and improvement of the environment. It stipulates that no person carrying on any industry, operation or process shall discharge or emit or permit the discharge or emission of any environmental pollutant in excess of such standards as may be prescribed. Further, no person shall handle or cause to be handled any hazardous substance except in accordance with such procedure and after complying with such safeguards as may be prescribed. EPA empowers the Central Government to take all measures necessary to protect and improve the environment such as laying down standards for emission or discharge of pollutants, providing for restrictions regarding areas where industries may operate and generally to curb environmental pollution.

E-Waste Management Rules, 2022 (the “E-Waste Rules”)

The E-Waste Rules apply to every manufacturer, producer, consumer, bulk consumer, collection centers, dealers, e-retailers, refurbishers, dismantlers, and recyclers involved in the manufacture, sale, transfer, purchase, collection, storage, recycling, or processing of e-waste or electrical and electronic equipment as categorized under these rules. This includes their components, consumables, parts, and spares, which are integral to the operation of the products. The E-Waste Rules mandate that manufacturers must obtain an authorization from the relevant State Pollution Control Board (SPCB) or Pollution Control Committee (PCC) and submit annual returns to the same authority. Producers of e-waste also have comprehensive responsibilities and may be subject to scrutiny by either the Central Pollution Control Board (CPCB) or SPCB. The rules specify that the manufacturer, producer, importer, transporter, refurbisher, dismantler, and recycler are all accountable for any environmental damage or harm caused to third parties due to improper handling, management, or disposal of e-waste. These parties may be liable for financial penalties imposed by the SPCB, with prior approval from the CPCB, in case of non-compliance with the provisions of the E-Waste Rules.

Water (Prevention and Control of Pollution) Act, 1974 (“Water Act”)

The Water Act aims to prevent and control water pollution and to maintain or restore wholesomeness of water. The Water Act provides for one central pollution control board, as well as state pollution control boards, to be formed to implement its provisions, including enforcement of standards for factories discharging pollutants into water bodies. Any person intending to establish any industry, operation or process or any treatment and disposal system likely to discharge sewage or other pollution into a water body, is required to obtain the consent of the relevant state pollution control board by making an application.

Air (Prevention and Control of Pollution) Act, 1981 (“Air Act”)

The Air Act aims to prevent, control and abate air pollution, and stipulates that no person shall, without prior consent of the relevant state pollution control board, establish or operate any industrial plant which emits air pollutants in an air pollution control area. Such person also cannot discharge or cause or permit to be discharged the emission of any air pollutant in excess of the standards laid down by the State Boards. The central pollution control board and the state pollution control boards constituted under the Water Act perform similar functions under the Air Act as well. Pursuant to the provisions of the Air Act, any person establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant state pollution control board prior to establishing or operating such industrial plant.

Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (“Hazardous Waste Rules”) as amended by the Hazardous and Other Wastes (Management and Transboundary Movement) Amendment Rules, 2022

The Hazardous Waste Rules regulate the management, treatment, storage and disposal of hazardous waste by imposing an obligation on every occupier and operator of a facility generating hazardous waste to dispose of such waste without harming the environment. The term “hazardous waste” has been defined in the Hazardous Waste Rules and any person who has, control over the affairs of the factory or the premises or any person in possession of the hazardous waste has been defined as an “occupier”. Every occupier and operator of a facility generating hazardous

waste must obtain authorization from the relevant state pollution control board. Further, the occupier, importer or exporter is liable for damages caused to the environment resulting from the improper handling and disposal of hazardous waste and must pay any financial penalty that may be levied by the respective state pollution control board.

E. FOREIGN TRADE REGULATIONS

The Foreign Trade (Regulation and Development) Act, 1992 and the rules framed thereunder (“FTA”)

The FTA is the main legislation concerning foreign trade in India. The FTA, read along with Foreign Trade (Regulation) Rules, 1993, provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. As per the provisions of the FTA, the Government:- (i) may make provisions for facilitating and controlling foreign trade; (ii) may prohibit, restrict and regulate exports and imports, in all or specified cases as well as subject them to exemptions; (iii) is authorised to formulate and announce an export and import policy and also amend the same from time to time, by notification in the Official Gazette; (iv) is also authorised to appoint a 'Director General of Foreign Trade' for the purpose of the FTA, including formulation and implementation of the Export-Import (“EXIM”) Policy.

The FTA prohibits anybody from undertaking any import or export except under an Importer-Exporter Code number (“IEC”) granted by the Director General of Foreign Trade pursuant to Section 7 of the FTA. Hence, every entity in India engaged in any activity involving import/export is required to obtain an IEC unless specifically exempted from doing so. Failure to mention IEC number attracts a penalty of not less than ₹10,000 and not more than five times the value of the goods or services or technology in respect of which any contravention is made or is attempted to be made, whichever is made. The IEC shall be valid until it is cancelled by the issuing authority

Foreign Investment Laws

Foreign investment in India is governed by the provisions of the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 (“FEMA Rules”) along with the Consolidated FDI Policy issued by the DPIIT, from time to time. Further, the RBI has enacted the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 which regulate the mode of payment and reporting requirements for investments in India by a person resident outside India. Under the FEMA Rules and Consolidated FDI Policy (effective October 15, 2020), 100% foreign direct investment is permitted in single brand product retail trading sector, under the automatic route, subject to certain conditions specified thereunder. Further, in the event of foreign direct investment beyond 51%, the investee entity is also required to comply with certain local sourcing norms as specified in the FEMA Rules and the Consolidated FDI Policy. In terms of the FEMA 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 on a fully diluted basis and the total holdings of all FPIs put together with effect from April 1, 2020, will be upto the sectoral cap applicable to the sector in which our Company operates (i.e., upto 100%), unless reduced by way of passing a special resolution.

F. EMPLOYMENT RELATED LAWS

In order to rationalize and reform labour laws in India, the Government of India has notified four labour codes which are yet to come into force as on the date of this Prospectus, namely, (i) the Code on Wages, 2019 which will repeal the Payment of Bonus Act, 1965, Minimum Wages Act, 1948, Equal Remuneration Act, 1976 and the Payment of Wages Act, 1936, (ii) the Industrial Relations Code, 2020 which will repeal the Trade Unions Act, 1926, Industrial Employment (Standing Orders) Act, 1946 and Industrial Disputes Act, 1947, (iii) the Code on Social Security, 2020 which will repeal certain enactments including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, Maternity Benefit Act, 1961, Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959 and the Payment of Gratuity Act, 1972 and (iv) the Occupational Safety, Health and Working Conditions Code, 2020 which will repeal certain enactments including the Factories Act, 1948, Motor Transport Workers Act, 1961 and the Contract Labour (Regulation and Abolition) Act, 1970.

Certain portions of the Code on Wages, 2019 and Code on Social Security, 2020, have come into force upon notification by the Ministry of Labour and Employment. The remaining provisions of these codes shall become effective as and when notified by the Government of India. A brief summary of the aforementioned laws have been provided below:

The Code on Wages, 2019

The Code on Wages, 2019 received the assent of the President of India on August 8, 2019 and proposes to subsume four existing laws namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. The Central Government has notified certain provisions of this code mainly in relation to the constitution of the advisory board.

The Occupational Safety, Health and Working Conditions Code, 2020

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government.

The Industrial Relations Code, 2020

The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The provisions of this code will be brought into force on a date to be notified by the Central Government.

The Code on Social Security, 2020

The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations including 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, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganised Workers' Social Security Act, 2008. The Central Government has notified certain provisions of this code.

Employees State Insurance Act, 1948, as amended (the "ESIC Act")

The ESI Act, provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers. Employees (Provident Fund and Miscellaneous Provisions) Act, 1952, as amended (the "EPF Act") The EPF Act applies to factories employing over 20 employees and such other establishments and industrial undertakings as notified by the GoI from time to time. It requires all such establishments to be registered with the state provident fund commissioner and requires such employers and their employees to contribute in equal proportion to the employees' provident fund the prescribed percentage of basic wages and dearness and other allowances payable to employees. The EPF Act also requires the employer to maintain registers and submit a monthly return to the State provident fund commissioner.

Maharashtra Labour Welfare Fund Act, 1953

The Government of Maharashtra has enacted the Labour Welfare Fund Act for providing welfare benefits to the labourers employed in establishments/factories situated in Maharashtra. It extends to the whole state of Maharashtra. The Maharashtra Labour Fund Act, 1953 is read with Maharashtra Labour Welfare Fund Rules, 1953. The rates of contribution vary according to the category of the labourers, as it depends on the wages earned by the labourers. The Maharashtra Labour Fund is applicable to all the companies in the state that has 5 or more persons employed. The state government constitute the labour Welfare Fund; the fund consists of the following: (a) Fines from employees; (b) Unpaid Accumulations; (c) Penal interest; (d) Voluntary donations; (e) Contributions made by employer-employee; (f) Any interest accrued on unpaid accumulations or fines realised from employees; and (g) Loan, grant in subsidy. Moreover, the employer is required to submit a statement which states all the particulars related to the contribution made.

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“**SHWW Act**”) provides for the protection of women at workplace and prevention of sexual harassment at workplace. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behaviour namely, physical contact and advances or a demand or request for sexual favours or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee, which shall always be presided upon by a woman.

G. GENERAL CORPORATE AND OTHER ALLIED LAWS

Apart from the above list of laws which is inclusive in nature and not exhaustive – general laws like the Indian Contract Act, 1872, Specific Relief Act, 1963, Negotiable Instruments Act, 1881, Consumer Protection Act, 1986, Anti-Trust law such as Competition Act, 2002 and corporate Acts namely Companies Act, 2013 are also applicable to the Company.

HISTORY AND CERTAIN CORPORATE MATTERS

CLN Energy Limited was originally incorporated as “JLNPhenix Energy Private Limited” on October 01, 2019 under the provisions of the Companies Act, 2013 with the Registrar of Companies, Kanpur with CIN U29309UP2019PTC121869. Subsequently, the name of our Company was changed to “CLN Energy Private Limited” vide special resolution passed by the shareholders of our Company in their meeting held on September 29, 2022 and a fresh Certificate of Incorporation consequent to the change of name was granted to our Company on May 08, 2023, by the Registrar of Companies, Kanpur. Further, our Company was converted into Public Limited Company pursuant to special resolution passed by the shareholders of our Company in their meeting held on April 04, 2024 and the name of our Company was changed to “CLN Energy Limited” and a Fresh Certificate of Incorporation consequent upon conversion of Company to Public Limited dated June 18, 2024 was issued by Central Processing Centre bearing CIN: U33100UP2019PLC121869.

History and Overview

Initially Mr. Jeevan Chand & Mr. Sanjay Chopra incorporation the Company in October 2019 however Mr. Rajiv Seth had taken over the majority control of the Company from November 2019 and till date he indirectly owns the majority control of the Company. Mr. Rajiv Seth owns 100% of Aim Sky Limited, which in turn hold 100% of Minmax Energy Limited and further he owns 90.61% of CLN Energy Pte. Ltd. During September 2022, Minmax Energy Limited had transferred their entire shareholding to CLN Energy Pte. Ltd. As on date of this Prospectus, CLN Energy Pte. Ltd. holds 76,61,238 Equity Share of ₹ 10/- each, constituting 99.99% of our Company.

Corporate Profile of our Company

For information on our Company’s business profile, activities, services, managerial competence, and customers, see “Our Business” and “Our Management” on page 104 and 147 respectively of this Prospectus.

Change in registered office of our Company

Since incorporation registered office of our Company was situated at Plot No. D-09, Sector-80, Phase II, HCL, Noida, Gautam Buddha Nagar, Uttar Pradesh, India, 201305. On September 20, 2023 the registered office shifted to Plot-18, Sector-140, Phase-2, Nepz Post Office, Gautam Buddha Nagar, Dadri, 201305, Uttar Pradesh, India. Thereafter, there have been no changes in the location of registered office of our company.

Main Objects of our Company

The main objects of our Company are as follows:

- To carry on the business of manufacture, fabricate and assemble, buy, sell, import, export, distribute, marketing and deal in batteries of all kind including but not limited to lithium-ion batteries, electric vehicle batteries, solar batteries, inverter batteries, inverter bulb batteries, mobile phone batteries including accessories and fittings of all kinds and to act as brokers and marketing agents for aforesaid items.*
- To carry on in India or elsewhere the business as designers, researchers, developers, manufacturers, buyers, assemblers, modifiers, installers, reconditioners, sellers, hirers, sublessors, market makers, dismantlers, repairers, operators, exporters, importers, distributors, and to act as an agent, broker, adatia, consignor, indenting agent, C&F agent, representative, correspondent, franchisers, stockist, supplier, vendor, transporter, collaborator, export house or otherwise to deal in all its branches in automatic, semiautomatic, manual or other types of tools, tackles, instruments, apparatus, systems & equipments, including machines for manufacturing the batteries of all kinds, manufacturing all types of automotive components and equipments and its associated machineries including but not limited to lathes, turret-lathes, capstan lathes, engine lathes, drills, drilling machines, shaping machines, planting machines, milling machines, grinding machines, slotting machines, broaching machines, lapping machines, weighting machines, wrapping machines, filtration equipments, hydraulic machines and pneumatic machines, punching machines and other allied goods, whether used for special operations or for general operations, and whether operated from human, electrical, magnetic, electromagnetic, chemical, electrochemical, photochemical, solar, tidal wind, nuclear, thermal, thermonuclear or other forms of energy and their parts, products, assemblies, components, instruments, raw materials, display units, control devices, elements, gadgets, circuits, micro circuits, used in machine tools including boules, bars, slices, rounds, wafers, sheets, clips, micro clips, powders, fluids, gases, solids which may be polished, processed,*

coated, fused, diffused, or otherwise treated and to do all incidental acts and things necessary for the attainment of the above said objects.

3. To carry on the business of manufacture including production and processing and fabrication and assembling, repairing, alternation, buying, importing, marketing, selling and exporting and otherwise dealing in all types of automotive components, electrical components, spare parts, products, equipments for all types of two wheelers, three-wheelers, passenger cars, light motor vehicles, multi-utility vehicles, heavy motor vehicles, All Terrain Vehicles (ATVs) and all other types of automobiles.
4. To carry on the business of research and development, design, provision of technical assistance, training and licenses, consulting and otherwise of manufacturing systems including production control and quality control and improvement of production lines relating to above objects.
5. To carry on business as manufacturers, producers, processors, makers, inventors, converters, importers, exporters, traders, buyers, sellers, indenters, packers, movers, merchants or otherwise deal in medical and surgical instruments, equipments, apparatuses, machineries, tools including medical kits, disposable and non-disposable syringes, medical containers, thermometers, plastic and aluminium collapsible tubes and all kinds and varieties of disposable and non-disposable surgical instruments and kits, their parts, fittings, components and accessories used in healthcare, treatment, diagnosis, research, operation and for saving life of human beings.

The main objects as contained in the MoA enable our Company to carry on the business presently being carried out and the activities proposed to be undertaken pursuant to the objects of this Issue.

Amendments to the Memorandum of Association

Sr. No.	Date of Shareholders' resolution	Particulars
1	October 05, 2019	Clause V of the MoA was amended to reflect the increase in Authorised Capital of our Company from ₹ 15,00,000 divided into 150,000 Equity Shares of ₹ 10/- each to ₹ 100,00,000 divided into 10,00,000 Equity Shares of face value of ₹ 10 each.
2	April 25, 2020	The new clause was inserted "5. To carry on business as manufacturers, producers, processors, makers, inventors, converters, importers, exporters, traders, buyers, sellers, indenters, packers, movers, merchants or otherwise deal in medical and surgical instruments, equipments, apparatuses, machineries, tools including medical kits, disposable and non-disposable syringes, medical containers, thermometers, plastic and aluminium collapsible tubes and all kinds and varieties of disposable and non-disposable surgical instruments and kits, their parts, fittings, components and accessories used in healthcare, treatment, diagnosis, research, operation and for saving life of human beings" vide the same was approved by our Board vide meeting held on April 23, 2020 and by our shareholder through special resolution vide meeting held April 25, 2020 and same was approved by Registrar of Companies, Kanpur vide certificate dated May 20, 2020 and further board took noted for the same.
3	December 02, 2021	Clause V of the MoA was amended to reflect the increase in Authorised Capital of our Company from ₹ 100,00,000 divided into 10,00,000 Equity Shares of face value of ₹ 10 each to ₹ 500,00,000 divided into 50,00,000 Equity Shares of face value of ₹ 10 each.
4	September 29, 2022	The name of our Company was changed from 'JLNPhenix Energy Private Limited' to 'CLN Energy Private Limited' and fresh certificate of name change dated May 08, 2023, by the Registrar of Companies, Kanpur. Accordingly Clause I of the MoA was amended to reflect the change of name of our Company.
5	April 04, 2024	Our Company was converted from a private limited company into a public limited company and consequently the name of our Company was changed from 'CLN Energy Private Limited' to 'CLN Energy Limited' and fresh certificate of Conversion dated June 18, 2024 was issued by the Registrar of Companies, Central Processing Centre. Accordingly, Clause I of the MoA was amended to reflect the name of our Company.
6	June 06, 2024	Clause V of the MoA was amended to reflect the increase in Authorised Capital of our Company from ₹ 500,00,000 divided into 50,00,000 Equity Shares of face value of ₹ 10

Sr. No.	Date of Shareholders' resolution	Particulars
		<i>each. To ₹ 11,00,00,000 divided into 110,00,000 Equity Shares of face value of ₹ 10 each.</i>

Major events and milestones

The table below sets forth some of the key events, milestones in our history since its incorporation.

Year	Events
2019	Incorporated our Company as JLNPhenix Energy Private Limited
2019	Issued 999,998 equity shares to Minmax Energy Limited, resulting in Minmax Energy Limited holding a majority stake in our company.
2022	Commencement of R & D unit at Hyderabad
2022	Our company achieved revenue of Rs. 100 Crores for the first time.
2022	The factory license has been issued on March 03, 2022 for our Pune plant located Gat No.375/1 and 376, Koregaon Bhima, Taluka, Shirur, Pune, Maharashtra, 412216.
2022	CLN Energy Pte.Ltd acquired majority equity shares of company and classified as Promoter of Company
2023	Our company changed name of from JLNPhenix Energy Private Limited to CLN Energy Private Limited.
2023	The factory license has been issued on April 06, 2023 for our Uttar Pradesh plant located at Plot-18, Sector-140, Phase-2, Nepz Post Office, Dadri, Gautam Buddha Nagar- 201305, Uttar Pradesh
2023	Shut down of Operations of R & D unit at Hyderabad
2024	Company converted from Private Limited Company to Public Limited Company vide and fresh certificate of Conversion dated June 18, 2024 was issued by the Registrar of Companies, Central Processing Centre.

Key awards, accreditations or recognitions

Our Company has received the following awards, accreditations and recognitions:

Year	Events
2023	ISO 9001 2015 Certificate for Quality Management System ISO 14001 2015 Certificate for Environmental Management System and ISO 45001 2018 Certificated for Occupational Health and Safety Management System

Time and cost over – runs in setting up projects and certain other adverse remarks

As on the date of this Prospectus, our Company has not experienced any material time/cost overrun in setting up any project or business operations

Details regarding material acquisition or disinvestments of business / undertakings, mergers, amalgamation

Our Company has not undertaken any merger, demerger or amalgamation since incorporation preceding the date of this Prospectus:

Details of Merger/Amalgamation

There has been no merger/amalgamation pertaining to our Company in the since incorporation.

Revaluation of assets

Our Company has neither revalued its assets nor has issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves since incorporation.

Defaults or Rescheduling of Borrowings with Financial Institutions/ Banks

As of date of this Prospectus, there are no defaults or rescheduling of borrowings from financial institutions or banks or conversion of loans into equity in relation to our Company.

Launch of key products or services, entry into new geographies or exit from existing markets

For details of key products or services launched by our Company, entry into new geographies or exit from existing markets, see “*Our Business*” and “*History and Certain Corporate Matters*” on page 104 and 143 respectively of this Prospectus.

Significant financial or strategic partnerships

The Company does not have any significant financial or strategic partners as on the date of this Prospectus.

Capacity/facility creation, location of plants

For details with respect to our capacity/facility creation, location of plants, see “*Our Business*” on page 104 of this Prospectus.

Shareholders Agreement and Other Agreements

Our Company, our Directors, our Promoters, the members of the Promoter Group and / or, the Shareholders are not party to any agreements, including any deed of assignment, acquisition agreement, shareholders agreement, inter-se agreement/arrangement or agreements of like nature, with respect to securities of our Company and which provide any special rights to any Shareholders / Stakeholders. We confirm there are no other clauses or covenants which our Company, our Directors, our Promoters, the members of the Promoter Group or the Shareholder are a party to, in relation to securities of our Company, which are material and adverse or prejudicial to the interest of the minority / public shareholders. Further as on the date of this Prospectus, there are no subsisting shareholders agreement among our shareholders vis-à-vis our Company. Further any special rights to any shareholders / stakeholders; post listing shall be subject to approval of the Shareholders by way of a special resolution, in a general meeting of the Company held post listing of the Equity Shares

Key terms of other subsisting material agreements

The Company has not entered into any other subsisting material agreements including with strategic partners, joint venture partners, and/or financial partners other than in the ordinary course of business of the Company.

Agreements with Key Managerial Personnel or Senior Managerial Personnel or Directors or Promoters or any other employee of the Company

There are no agreements entered into by the Key Managerial Personnel or Senior Managerial Personnel or Directors or Promoters or any other employee of the Company, either by themselves or on behalf of any person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

Holding Company

As on date of this Prospectus, CLN Energy Pte. Ltd is the holding company of our Company. For details, see “*Our Promoters and Promoter Group*” on page 162 of this Prospectus.

Our subsidiary

As on the date of this Prospectus, our Company does not have a subsidiary company

Associate or Joint ventures of our Company

As on the date of this Prospectus, our Company does not have any joint ventures or associate companies.

OUR MANAGEMENT

Our Board of Directors

In accordance with our Articles of Association, unless otherwise determined in a general meeting of the Company and subject to the provisions of the Companies Act, 2013 and other applicable rules, the number of Directors of the Company shall not be less than three (3) and not more than fifteen (15). As on date of this Prospectus, we have Five (5) Directors on our Board, which includes one (1) Whole Time Director & CEO, one (1) Whole Time Director & COO, one (1) Non-Executive Director and two (2) Independent Director out of which one (1) is a woman director of our Company.

Set forth below, are details regarding our Board as on the date of this Prospectus:

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Other Directorships
<p>Sunil Gandhi</p> <p>Designation: Whole Time Director and Chief Executive Officer</p> <p>Date of Birth: June 24, 1974</p> <p>Address: 70, Ground Floor, Ashoka Enclave, Part-1, Near Kanishka Tower, Sector 34, Amarnagar, Faridabad, Haryana 121003.</p> <p>Occupation: Service</p> <p>Term: Appointed as a Whole Time Director for a period of Five (05) years with effect from June 19, 2024 until June 18, 2029 and liable to retire by rotation</p> <p>Period of Directorship: Director since August 18, 2020</p> <p>Period of Holding Position as CEO: April 09, 2022</p> <p>Age: 50 years</p> <p>Nationality: Indian</p> <p>DIN: 08433754</p> <p>Qualification: He holds diploma course in Electrical Engineering with Specialization in Electronics and Television Technology from YMCA Institute of Engineering, Faridabad and has also Pursued Post Diploma Graduation in Business Administration from Symbiosis Centre for Distance Learning.</p> <p>Experience: He has over a more than 2 decade of combined experience in Software Technology and Telecommunication Industry. He has worked with many organizations including Reliance Infocom Limited & Bharti Airtel Limited.</p>	<p><i>Indian Companies</i></p> <ol style="list-style-type: none"> 1) JLNPhenix Powers Private Limited 2) Winst Management Private Limited 3) Advisory Hub Private Limited <p><i>Foreign Companies</i></p> <p>Nil</p>
<p>Manish Shah</p> <p>Designation: Whole Time Director and Chief Operating Officer</p> <p>Date of Birth: August 28, 1973</p> <p>Address: A/43, Sharanam-12, Opp.Green Acres, Prahladnagar, Ahmadabad City, Ambawadi, Vistar, Ahmadabad, Gujarat 380015.</p>	<p><i>Indian Companies</i></p> <p>Nil</p> <p><i>Foreign Companies</i></p> <p>Nil</p>

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Other Directorships
<p>Occupation: Service</p> <p>Term: Appointed as a Whole Time Director for a period of Five (05) years with effect from June 19, 2024 until June 18, 2029 and liable to retire by rotation</p> <p>Period of Directorship: Director since October 09, 2023</p> <p>Period of Holding Position as COO: Since October 09, 2023</p> <p>Age: 51 years</p> <p>Nationality: Indian</p> <p>DIN: 10343779</p> <p>Qualification: He holds bachelor's degree in Engineering at North Maharashtra University, Jalgaon</p> <p>Experience: He has over two decades of experience in electrical & telecommunication industry. He has worked as with Reliance Group and Indus Tower Limited.</p>	
<p>Rajiv Seth</p> <p>Designation: Chairman & Non-Executive Director</p> <p>Date of Birth: September 28, 1970</p> <p>Address: 261, Gulmohar Enclave, Gulmohar Park, South Delhi, Delhi-110049</p> <p>Occupation: Business</p> <p>Term: Appointed as Non-Executive Director for a period of Five (05) years with effect from September 30, 2024 until September 29, 2029 and not liable to retire by rotation.</p> <p>Period of Directorship: Director since September 30, 2024</p> <p>Age: 54 years</p> <p>Nationality: Indian⁽¹⁾</p> <p>DIN: 02156211</p> <p>Qualification: He holds bachelor's degree in Electronics & Communication Engineering at Kurukshetra University</p> <p>Experience: He has over 2 decades of experience in overall managing and promoting companies. He is the promoter of 4 foreign companies including our holding company.</p>	<p>Indian Companies</p> <p>Cosmique Poly Products Private Limited⁽²⁾</p> <p>Foreign Companies</p> <ol style="list-style-type: none"> 1) Aim Sky Limited 2) Great Mega Holdings Limited 3) Minmax Energy Limited 4) CLN Energy Pte. Ltd
<p>Bhawna Hundlani</p> <p>Designation: Non-Executive Independent Director</p>	<p>Indian Companies</p>

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Other Directorships
<p>Date of Birth: December 21, 1998</p> <p>Address: 694, 9th C Road, Sardarpura, Jodhpur, Rajasthan, 342003.</p> <p>Occupation: Professional</p> <p>Term: Appointed as a Non-Executive Independent Director for a period of Five (05) years with effect from June 19, 2024 until June 18, 2029 and not liable to retire by rotation.</p> <p>Period of Directorship: Director since June 19, 2024</p> <p>Age: 26 years</p> <p>Nationality: Indian</p> <p>DIN: 10459772</p> <p>Qualification: She holds bachelor's degree in Commerce as well as Law from Jai Narain Vyas University, Jodhpur. She is an associate member of the Institute of Company Secretary of India</p> <p>Experience: She has experience in Compliance, Secretarial and Legal matters. Currently she is designated as Company Secretary and Compliance Officer of Oneclick Logistics India Limited.</p>	<p>Nil</p> <p><i>Foreign Companies</i></p> <p>Nil</p>
<p>Rakesh Kakkar</p> <p>Designation: Non-Executive Independent Director</p> <p>Date of Birth: May 31, 1970</p> <p>Address: C-401, Bestech Park View Spa, Sector 47, South City-II, Farrukhnagar, Gurgaon, Haryana-122018.</p> <p>Occupation: Business</p> <p>Term: Appointed as a Non-Executive Independent Director for a period of Five (05) years with effect from June 19, 2024 until June 18, 2029 and not liable to retire by rotation.</p> <p>Period of Directorship: Director since June 19, 2024</p> <p>Age: 54 years</p> <p>Nationality: Indian</p> <p>DIN: 05190517</p> <p>Qualification: He holds bachelor's degree in Electronics & Communication Engineering at Kurukshetra University</p> <p>Experience: He has over 25 years of experience across IT, Telecom & Software/ Software Services, Proven Track Record, Personal Leadership, Professional Excellence. He has worked with many organizations including Netcracker Technology India Private Limited, Alcatel Network Systems India Limited. Currently he is working with Nextgen</p>	<p><i>Indian Companies</i></p> <ol style="list-style-type: none"> 1) Fortune Endeavour Infrastructure Private Limited 2) Enormous Electrotech Private Limited 3) Kayran Developers & Builders Private Limited 4) Reck Luxury Housing Private Limited <p><i>Foreign Companies</i></p> <p>Nil</p>

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Other Directorships
Telesolutions Private Limited since September 2022 as Sr. V P - Sales & Business Development	

⁽¹⁾Rajiv Seth's residential status is listed as non-resident of India in the Income Tax Return filed for the previous year.

⁽²⁾Rajiv Seth was associated with Cosmique Poly Products Pvt. Ltd. (CPPPL) as a Director. According to a certificate dated July 31, 2024, issued by Practicing Company Secretary Himanshu SK Gupta & Associates, CPPPL was struck off by the Registrar of Companies (RoC) before 2006. However, the exact date of the strike-off and the reasons for it are not available on the Ministry of Corporate Affairs (MCA) portal. Due to technical issues on the MCA portal, CPPPL still appears in Mr. Rajiv Seth's directorship record. The aforementioned certificate further confirms that Mr. Rajiv Seth's Director Identification Number (DIN) status is active, and there are no pending litigations or actions against him related to CPPPL.

Brief Profile of our Directors

Sunil Gandhi, aged 50 years, is a Chief Executive Officer since April 09, 2022 and became Whole Time Director of our Company w.e.f. June 19, 2024. He holds diploma course in Electrical Engineering with Specialization in Electronics and Television Technology from YMCA Institute of Engineering, Faridabad and has also Pursued Post Diploma Graduation in Business Administration from Symbiosis Centre for Distance Learning. He has over a more than 2 decade of combined experience in Software Technology and Telecommunication Industry. He has worked with many organizations including Reliance Infocom Limited & Bharti Airtel Limited. He is currently responsible for the overall working of the Company and is instrumental in making strategic decisions. He is also responsible for infusing fresh ideas into the business and developing new products, customer relationship, manufacturing process, leading strategic planning, agile procurement practices for sustained growth and driving production targets at our Company. He also manages the entire supply chain for the Company and being the part of the Board, he is providing his technical knowledge and expertise for growth and expansion of our Company on day-to-day basis. His strong leadership skill, comprehensive understanding of financial management principles, entrepreneurship with commercial acumen and excellent management skill allow the business to grow by way of developing the new clients whilst maintaining its existing customer base.

Manish Shah, aged 51 years, is the Whole Time Director and Chief Operating Officer of the Company w.e.f. June 19, 2024. He holds bachelor's degree in Engineering at North Maharashtra University, Jalgaon. He has over two decades of experience in electrical & telecommunication industry. He has worked as with Reliance Group and Indus Tower Limited. He has been associated with Company since 2019. He is responsible for driving sales, service, dealer management, product strategies, marketing, profitability, human resources, brand and media management He primarily handles Operations and now he is instrumental in winning new customers for the company. He is also looking into Banking and handles the entire finance and operation of the Company.

Rajiv Seth, aged 54 years is a Chairman & Non-Executive Director (Director) of our Company. He had acquired indirect stake of the company through CLN Energy Pte Ltd dated November 19, 2019, thus making him a promoter of the company. He holds bachelor's degree in Electronics & Communication Engineering at Kurukshetra University. He has over 2 decades of experience in overall managing and promoting companies. He is the promoter of 4 foreign companies including our holding company. As Promoter of the Company, he is providing his expertise for growth and expansion of our Company.

Bhawna Hundlani, aged 26 years is a Non-Executive Independent Director of our Company. She was appointed on the Board of our Company w.e.f. June 19, 2024. She holds bachelor's degree in Commerce as well as Law from Jai Narain Vyas University, Jodhpur. She is an associate member of the Institute of Company Secretary of India. She has experience in Compliance, Secretarial and Legal matters. Currently she is designated as Company Secretary and Compliance Officer of Oneclick Logistics India Limited.

Rakesh Kakkar, aged 54 years is Non- Executive Independent Director of our Company. He was appointed on the Board of our Company w.e.f. June 19, 2024. He holds bachelor's degree in Electronics & Communication Engineering at Kurukshetra University. He has over 25 years of experience across IT, Telecom & Software/ Software Services, Proven Track Record, Personal Leadership, Professional Excellence. He has worked with many organizations including Netcracker Technology India Private Limited, Alcatel Network Systems India Limited. Currently he is working with Nextgen Telesolutions Private Limited since September 2022 as Sr. V P - Sales & Business Development.

Confirmations

- i. None of the Directors of our Company are Wilful Defaulters or Fraudulent Borrowers as on the date of this RHP. None of the Directors of our Company are declared Fugitive Economic Offenders under Section 12 of the Fugitive Economic Offenders Act, 2018. Further, our Directors are not debarred from accessing the capital markets by SEBI.
- ii. None of our directors are or have been directors in any of the listed companies, which have been/ were delisted from the stock exchange(s). None of our directors are or have been directors in any of the listed companies whose shares have been/were suspended from being traded on the BSE Limited / National Stock Exchange of India Limited.
- iii. None of our directors are or have been directors in any of the listed companies in the 5 (five) years preceding the date of this RHP, whose shares have been/were suspended from being traded on any of the stock exchange(s) during his / her tenure in that Company(ies).
- iv. There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the abovementioned Directors was selected as director or member of senior management.
- v. The Company has not entered into any service contracts with its Directors providing for benefits upon termination of employment

Relationship between our Directors and any of our Directors and our Key Managerial Personnel and Senior Management Personnel

As on date of this Prospectus, none of the Directors and Key Managerial Personnel and Senior Management Personnel are related to each other.

Arrangements and Understanding with Major Shareholders

None of our Key Managerial Personnel, Senior Management or Directors have been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others pursuant to which any of the directors was selected as a director or member of senior management.

Payment or Benefit to officers of our Company

Except as stated otherwise in this Prospectus and any statutory payments made by our Company, no non-salary amount or benefit has been paid, in two preceding years, or given or is intended to be paid or given to any of our Company's officers except remuneration of services rendered as Directors, officers or employees of our Company.

Service Contracts

The Company has not entered into any service contracts with its Directors and Key Managerial Personnel providing for benefits upon termination of employment.

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. Our Company has, pursuant to a resolution passed by the Shareholders at an extra ordinary general meeting held on June 19, 2024, authorised our Board to borrow from time to time, any sum or sums of monies which together with the monies already borrowed by our Company (apart from temporary loans obtained or to be obtained from our Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of our Company and its free reserves provided that the total amount so borrowed by the Board shall not at any time exceed ₹ 50,000 lakhs or the aggregate of the paid up capital and free reserves of our Company, whichever is higher.

Remuneration/Compensation/Commission paid to Directors

Sunil Gandhi (Whole Time Director & CEO)

Pursuant to a resolution passed by the Board of Directors at the meeting held on June 18, 2024 and approved by the Shareholders of our Company at an Extra Ordinary General Meeting held on June 19, 2024, Sunil Gandhi was designated as the Whole time Director [who was appointed Chief Executive Officer also] of our Company for a period of five (5) years with effect from June 19, 2024 along with the terms of remuneration, in accordance with

Sections 196, 197, 203 and Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder. The terms and conditions approved by the Board of Directors and the Shareholders have been summarised below:

Maximum Remuneration	Upto 150.00 lakhs per annum
Perquisites	<p>He shall be entitled to all the perquisites listed herein below in addition to the salary and commission mentioned above.</p> <ol style="list-style-type: none"> Medical Reimbursement: Reimbursement of medical expenses incurred, including premium paid on, health insurance policies, whether in India or aboard, for self and family including hospitalization, surgical charges, nursing charges, and domiciliary charges for self and for family. Leave Travel Concession: For self and family (family includes and means the spouse and the dependent children of the Employee) every year, subject to a maximum amount of Rs. 10 lakhs. Personal Accident Insurance and Medi-claim Insurance: As per the policy of the Company. Provident Fund/Pension: Contribution to Provident Fund and Pension Fund as per the policy of the company, if opted for by the employee. Gratuity: Gratuity payable shall be in accordance with the provisions of the Payment of Gratuity Act. Use of Car with Driver: The Company shall provide the Employee two cars with drivers at any point in time for business and personal use. Security Guard: Reimbursement of Security Guard's salary, subject to a maximum of four Security Guards at a time. Leave: Leave with full pay and allowances shall be allowed as per the Company's rules. Entertainment expenses: the Company shall reimburse the Employee entertainment expenses actually and properly incurred in the course of business of the Company.
Minimum Remuneration	He shall be entitled to minimum remuneration prescribed under Sections 196, 197, 203 and Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder.

Manish Shah (Whole Time Director & COO)

Pursuant to a resolution passed by the Board of Directors at the meeting held on June 18, 2024 and approved by the Shareholders of our Company at an Extra Ordinary General Meeting held on June 19, 2024, Manish Shah was designated as the Whole time Director and Chief Operating Officer of our Company for a period of five (5) years with effect from June 19, 2024 along with the terms of remuneration, in accordance with Sections 196, 197, 203 and Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder. The terms and conditions approved by the Board of Directors and the Shareholders have been summarised below:

Maximum Remuneration	Upto 150.00 lakhs per annum
Perquisites	<p>He shall be entitled to all the perquisites listed herein below in addition to the salary and commission mentioned above.</p> <ol style="list-style-type: none"> Medical Reimbursement: Reimbursement of medical expenses incurred, including premium paid on, health insurance policies, whether in India or aboard, for self and family including hospitalization, surgical charges, nursing charges, and domiciliary charges for self and for family. Leave Travel Concession: For self and family (family includes and means the spouse and the dependent children of the Employee) every year, subject to a maximum amount of Rs. 10 lakhs. Personal Accident Insurance and Medi-claim Insurance: As per the policy of the Company. Provident Fund/Pension: Contribution to Provident Fund and Pension Fund as per the policy of the company, if opted for by the employee. Gratuity: Gratuity payable shall be in accordance with the provisions of the Payment of Gratuity Act. Use of Car with Driver: The Company shall provide the Employee two cars with drivers at any point in time for business and personal use. Security Guard: Reimbursement of Security Guard's salary, subject to a maximum of four

	Security Guards at a time. h) Leave: Leave with full pay and allowances shall be allowed as per the Company's rules. i) Entertainment expenses: the Company shall reimburse the Employee entertainment expenses actually and properly incurred in the course of business of the Company.
Minimum Remuneration	He shall be entitled to minimum remuneration prescribed under Sections 196, 197, 203 and Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder.

Remuneration details of Fiscal 2024 our Directors

The aggregate value of the remuneration paid to the Executive Directors in Fiscal 2024 is as follows:

S. No.	Name of the Director	Remuneration (₹ in lakhs)
1.	Sunil Gandhi	55.00
2	Manish Shah	21.41

Payment of sitting fees to Non-executive Independent Directors of our Company

Pursuant to a resolution passed by our Board on June 18, 2024, our Non-Executive Independent Directors are each entitled to receive a sitting fee of upto ₹ 5,000 each for attending meeting of our Board and ₹ 5,000 for every meeting of the various committees of our Board.

Except as stated in this RHP, no amount or benefit has been paid by our Company within the 2 (two) preceding years or is intended to be paid or given by our Company to any of our Company's officers including our Directors and key managerial personnel.

Our Company does not have any bonus or profit-sharing plan for its Directors.

Loans to Directors

There are no loans that have been availed by the Directors from our Company that are outstanding as on the date of this Prospectus.

Shareholding of Directors in our Company

Except as stated below, none of our Directors holds any Equity Shares of our Company as on the date of filing of this Prospectus:

Sr. No.	Name of Director	Number of Equity Shares	% of the pre-Issue Equity Share Capital
1	Sunil Gandhi	2	Negligible
2	Manish Shah	2	Negligible

* Our Articles of Association do not require our Directors to hold any qualification Equity Shares in the Company.

Interest of our Directors

Our Executive Directors may be deemed to be interested to the extent of remuneration paid to them for services rendered as a Director of our Company and reimbursement of expenses, if any, payable to them. For details of remuneration paid to our see "Terms of appointment and remuneration of our Executive Directors" above.

Our Directors may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or kartas or coparceners or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to this Issue. Except as disclosed in "Financial Information" and "Our Promoters and Promoter Group" beginning on Page Nos. 168 and 162, respectively of this Prospectus, our Directors are not interested in any other company, entity or firm.

Except as stated in "Restated Financial Information – Related Party Transactions" from the chapter titled "Restated Financial Information" on Page No. 168 of this Prospectus, our Directors do not have any other interest in the business of our Company.

Interest as to property

Except as mentioned in “Our Business - Land and Property” and “Restated Financial Information – Annexure VI - Note 32 – Related Party Transactions” from the chapter titled “Restated Financial Information” on Page Nos. 104 and 168 of this Prospectus our Directors do not have any interest in any property acquired or proposed to be acquired by 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 Appointment	Date of Cessation	Reasons for Change/ Appointment
Rajiv Seth	September 30, 2024	-	Regularised as Non-Executive Director
Sunil Gandhi	June 19, 2024	-	Re-designated as Whole Time Director
Manish Shah	June 19, 2024	-	Re-designated as Whole Time Director and Chief Operating Officer
Bhawna Hundlani	June 19, 2024	-	Appointed as Non-Executive Independent Director
Rakesh Kakkar	June 19, 2024	-	Appointed as Non-Executive Independent Director
Jeevan Chand	October 01, 2019	February 21, 2024	Resigned as Executive Director
Rajiv Seth	February 14, 2024	-	Appointed as Additional Non-Executive Director
Manish Shah	November 22, 2023	-	Regularized as Executive Director
Manish Shah	October 09, 2023	-	Appointed as Additional Executive Director

Corporate Governance

As our Company is coming with an issue in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, as on date of this Prospectus, the requirement specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (LODR) Regulations, 2015 are not applicable to our Company. The applicable provisions of the Companies Act, 2013 will be applicable to our company immediately up on the listing of Equity Shares on the Stock Exchanges. However, our Company has complied with the corporate governance requirement, particularly in relation to appointment of independent directors including woman director on our Board, constitution of an Audit Committee and Nomination and Remuneration Committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

Committees of the Board in accordance with the SEBI Listing Regulations

Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations:

- Audit Committee;
- Stakeholders’ Relationship Committee;
- Nomination and Remuneration Committee ; and
- Corporate Social Responsibility Committee

As on June 18, 2024 our Board Constitute above mentioned Committees and details of each of these committees are as follows:

a) Audit Committee:

Name of the Directors	Nature of Directorship	Designation in Committee
Bhawna Hundlani	Non-Executive Independent Director	Chairman
Rakesh Kakkar	Non-Executive Independent Director	Member
Sunil Gandhi	Whole Time Director & CEO	Member

The Audit Committee shall meet at least four times a year with maximum interval of 120 days between two meetings of the Audit Committee.

The role of the Audit Committee shall be in accordance with section 177 of the Companies Act, 2013 and all other applicable provision, if any, of the Companies Act, 2013 and the Companies (Meeting and Its Powers) Rules, 2014, and any other law for the time being enforce. The role of the Audit Committee shall include the following:

- (1) oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (2) recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of statutory auditors of the Company ;
- (3) approval of payments to statutory auditors for any other services rendered by the statutory auditors;
- (4) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. 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, 2013, as amended;
 - b. changes, if any, in accounting policies and practices and reasons for the same;
 - c. major accounting entries involving estimates based on the exercise of judgment by the management;
 - d. significant adjustments made in the financial statements arising out of audit findings;
 - e. compliance with all legal requirements relating to financial statements; f. disclosure of any related party transactions ; and
 - g. qualifications/modified opinion(s) in the draft audit report;
- (5) reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the board for approval;
- (6) 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 utilized 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;
- (7) reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process; 215
- (8) 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 our Company subject to such conditions as may be prescribed;
- (9) formulating a policy on related party transactions, which shall include materiality of related party transactions;
- (10) scrutiny of inter-corporate loans and investments;
- (11) valuation of undertakings or assets of the Company, wherever it is necessary;
- (12) evaluation of internal financial controls and risk management systems;
- (13) establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
- (14) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (15) 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;
- (16) discussion with internal auditors of any significant findings and follow up there on;
- (17) 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;
- (18) 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;
- (19) to look 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;

(20) to review the functioning of the whistleblower mechanism;

(21) approval of appointment of chief financial officer (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; and

(22) carrying out any other function as is mentioned in the terms of reference of the audit committee and any other terms of reference as may be decided by the Board and/or specified/provided under the Companies Act, 2013 or any other law.

b) Stakeholders' Relationship Committee:

Name of the Directors	Nature of Directorship	Designation in Committee
Rakesh Kakkar	Non-Executive Independent Director	Chairman
Bhawna Hundlani	Non-Executive Independent Director	Member
Sunil Gandhi	Whole Time Director and CEO	Member

The frequency of meetings of Stakeholders Relationship Committee is at least once in a year.

The role of the Stakeholders Relationship Committee shall be in accordance with Section 178 and all other applicable provision, if any, of the Companies Act, 2013 and the Companies (Meeting and Its Powers) Rules, 2014, and any other law for the time being enforce and is as follows:

- (1) efficient transfer of shares including review of cases for refusal of transfer/transmission of shares and debentures;
- (2) redressing of shareholders and investor complaints such as non-receipt of declared dividend, annual report, transfer of Equity Shares and issue of duplicate/split/consolidated share certificates;
- (3) monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer/transmission of shares and debentures;
- (4) allotment and listing of shares in future;
- (5) review of cases for refusal of transfer/transmission of shares and debentures;
- (6) reference to statutory and regulatory authorities regarding investor grievances;
- (7) ensure proper and timely attendance and redressal of investor queries and grievances; and
- (8) to do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.

c) Nomination and Remuneration Committee:

Name of the Directors	Nature of Directorship	Designation in Committee
Bhawna Hundlani	Non-Executive Independent Director	Chairman
Rakesh Kakkar	Non-Executive Independent Director	Member
Rajiv Seth	Non-Executive Director	Member

The Nomination and Remuneration Committee shall meet at once a year.

The role of the Nomination and Remuneration Committee shall be in accordance with Section 178 and all other applicable provision, if any, of the Companies Act, 2013 and the Companies (Meeting and Its Powers) Rules, 2014, and any other law for the time being enforce as follows:

- (1) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- (2) formulation of criteria for evaluation of performance of independent directors and the board of directors;
- (3) devising a policy on diversity of board of directors;
- (4) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
- (5) 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.

- (6) analysing, monitoring and reviewing various human resource and compensation matters;
- (7) determining our Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
- (8) determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), usually consisting of a fixed and variable component;
- (9) reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
- (10) framing suitable policies, procedures and systems to ensure that there is no violation, by any employee of any applicable laws in India or Overseas;
- (11) performing such other activities as may be delegated by the Board of Directors and/or specified/provided under the Companies Act, 2013

d) Corporate Social Responsibility Committee:

Name of the Directors	Nature of Directorship	Designation in Committee
Sunil Gandhi	Whole Time Director and CEO	Chairman
Rakesh Kakkar	Non-Executive Independent Director	Member
Manish Shah	Whole Time Director and COO	Member

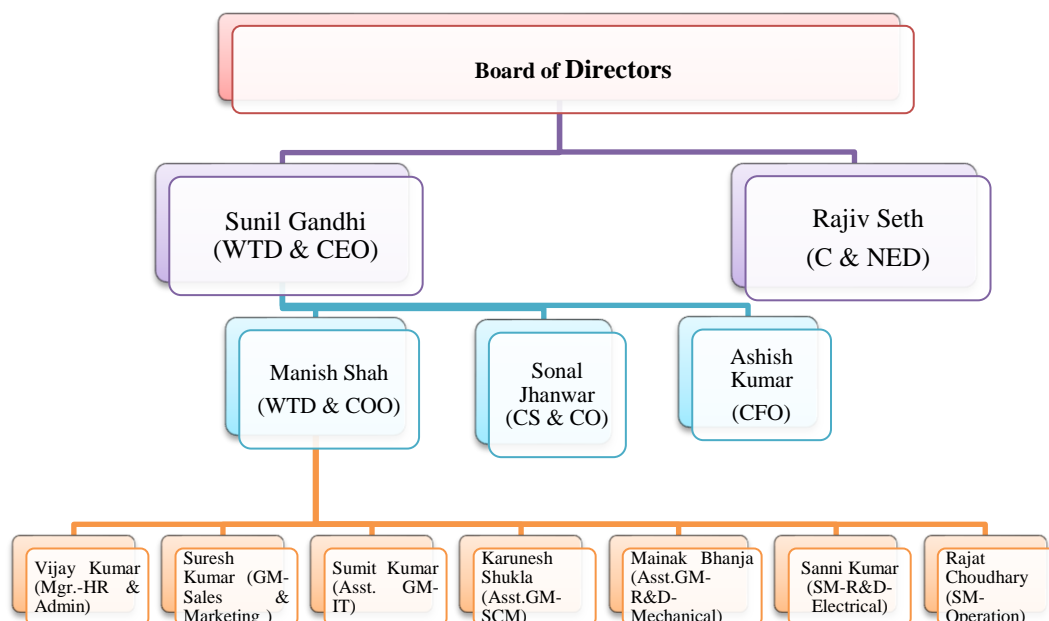
The role of the Corporate Social Responsibility Committee shall be in accordance with Section 135 and all other applicable provision, if any, of the Companies Act, 2013 along with the rules made thereunder, and any other law for the time being enforce as follows: .

- (1) formulate and recommend to the Board of Directors, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company;
- (2) recommend the amount of expenditure to be incurred by the Company for CSR;
- (3) monitor the Corporate Social Responsibility Policy of the Company from time to time; and
- (4) to do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers

Compliance with SME Listing Regulations

The provisions of the SEBI (Listing Obligation and Disclosures) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on SME Platform of BSE Limited.

Management Organizational Structure



Terms & Abbreviations

C & NED	- Chairperson and Non-Executive Director
WTD & CEO	- Whole Time Director and Chief Executive Officer
WTD & COO	- Whole Time Director and Chief Operating Officer
CFO	- Chief Financial Officer
CS & CO	- Company Secretary and Compliance Officer
Mgr-HR & Admin	- Manager- HR & Admin
GM-Sales & Marketing	- General Manager-Sales & Marketing
Asst. GM-IT	- Assistant General Manager- Information Technology
Asst. GM-SCM	- Assistant General Manager- Supply Chain Management
Asst.GM- R&D- Mechanical	- Assistant General Manager- Research and Development in Mechanical
SM-R&D-Electrical	- Senior Manager- Research and Development in Electrical
SM-Operation	- Senior Manager -Operation

Our Key Managerial Personnel

In addition to our Managing Director whose details have been provided under paragraph above titled 'Brief Profile of our Directors', set forth below are the details of our Key Managerial Personnel as on the date of filing of this Prospectus:

Ashish Kumar, aged 32 years, is the Chief Financial Officer of our Company. He holds a bachelor's degree in commerce from Delhi University. He also hold membership with the Institute of Chartered Accountants of India. In the past, he has worked as Assistant Manager with Bharat IT Service Limited, Vectus Industries Limited and Jubilant Agri & Consumer Products Limited. He has been associated with our Company since July 2022 in the capacity of Senior Manager – Finance & Accounts and has received remuneration of ₹ 15.14 lakhs during Fiscal 2024. He was promoted as the Chief Financial of our Company with effect from June 18, 2024 and oversees finance and accounts of our Company. Further from April 01, 2024 he was apprised with revised remuneration of ₹ 20.36 lakhs per annum.

Sonal Jhanwar, aged 38 years, is the Company Secretary and Compliance Officer of our Company. She holds a bachelor's degree in commerce from Gujarat University, Bachelor's of Law from Sri L.A. Shah Law College Ahmedabad, Gujarat University, Diploma in Banking from Ahmedabad Management Association and Bachelor's of Education from Gujarat University. She is an associate member of the Institute of Company Secretaries of India. In

the past, she was associated with Shri Ajit Senior Secondary School, St. Paul's HR. SEC. School, Rohit Bajpayi & Associates, Company Secretaries & Lakshya Powertech Private Limited. She has almost a year of experience in secretarial and compliance matters. She has been associated with our Company since June 2024 with remuneration of ₹ 2.16 lakhs per annum.

All our Key Managerial Personnel are permanent employees of our Company.

Our Senior Managerial Personnel

Apart from our Managing Directors, Chief Financial Officer and Company Secretary and Compliance Officer, whose details have been provided under paragraph above titled '*Brief Profile of our Directors*' and '*Our Key Managerial Personnel*', set forth below are the details of our Senior Managerial Personnel as on the date of filing of this Prospectus:

Karunesh Shukla, aged 35 years is Assistant General Manager-Supply Chain Management of our Company. He holds a bachelor's degree in Technology in Electronics and Communication Engineering from Gautam Bhudh Technical University, Lucknow. In the past, he was associated with ESP Safety Private Limited, Sterling Components India Private Limited, Warea Energy Limited & Khati Solution Private Limited. He has been associated with our Company from August 2022 as Senior Manager- Supply Chain Management and has received remuneration of ₹ 21.46 lakhs during Fiscal 2024. Further from April 01, 2024 he was promoted to Assistant General Manager-SCM with revised remuneration of ₹ 24.98 lakhs per annum.

Mainak Bhanja, aged 39 years is Assistant General -R&D Mechanical of our Company. He holds a bachelor's degree in Technology from West Bengal University of Technology & completed his Master of Science with Commendation from University of Hertfordshire having followed approved programme in Automotive Engineering. In the past, he was associated with Bhilai Engineering Corporation Limited. He has been associated with our Company from October 2020 as Engineer-R&D and has received remuneration of ₹ 17.42 lakhs during Fiscal 2024. Further from April 01, 2024 he was promoted to Assistant General Manager- R&D Mechanical with revised remuneration of ₹ 21.60 lakhs per annum.

Rajat Choudhary, aged 33 years is Senior Manager-Operations of our Company. He holds a bachelor's degree in Technology in Electrical & Electronics Engineering from Gautam Bhudh Technical University, Lucknow. In the past, he was associated with Medigraph Systems, Jayanita Exports India Private Limited, Coslight India Telecom Private Limited, Greenfuel Energy Solutions Private Limited. He has been associated with our Company from February 2023 as Manager - Quality and has received remuneration of ₹ 16.04 lakhs during Fiscal 2024. Further from April 01, 2024 he was promoted Senior Manager-Operations with revised remuneration of ₹ 19.79 lakhs per annum.

Sanni Kumar, aged 30 years, is the Senior Manager – R& D Electrical of our Company. He holds a bachelor's degree in Technology in Electrical & Electronics Engineering from Dr. A.P.J. Abdul Kalam Technical University, Uttar Pradesh. He has been associated with our Company from September 2019 as Sales Engineer and gradually promoted to Senior Manager - R&D Electrical. He has received remuneration of ₹ 19.38 lakhs during Fiscal 2024. Further from April 01, 2024 he was appraised with revised remuneration of ₹ 28.00 lakhs per annum.

Sumit Kumar aged 33 years, is Manager-IT of our Company. He holds a bachelor's degree in Arts in Political Science from CH Charan Singh University, Ghaziabad. He has completed Jetking Certified Hardware & Networking Professional Premium, Additional certification in Azure Fundamentals and AWS Services Fundamentals from Skillup. In the past, he was associated with Resbird Technologies Private Limited, Pal Facility management Services Private Limited. He has been associated with our Company from November 2022 as Manager-IT and has received remuneration of ₹ 8.35 lakhs during Fiscal 2024. Further from April 01, 2024 he was appraised with revised remuneration of ₹ 11.34 lakhs per annum.

Suresh Kumar, aged 44 years, is General Manager-Sales and Marketing of our Company. He holds a Certificate of Diploma in Electronics and Telecommunication Engineering from Rajasthan Vidyapeeth (Deemed) University. In the past, he was associated with Bharti Comtel Ltd., Bharti Airtel Services Limited, Alcatel Lucent Network Management Services India Limited, Su-Kam Power Systems Limited, Eastman Auto & Power Limited, Okaya Power Private Limited. He has been associated with our Company from April 2024 as General Manager-Sales and Marketing with remuneration of ₹ 30.00 lakhs per annum.

Vijay Kumar, aged 33 years is Manager-HR & Admin of our Company. He has completed Master of Business Administration in Human Resources Management from Uttar Pradesh Technical University, Uttar Pradesh. In the

past, he was associated with Passion Trail Limited, Amity Global Business School, Thomson Digital (India Today Group), East India Technologies Private Limited. He has been associated with our Company from October 2022 as Deputy Manager HR & Admin and has received remuneration of ₹ 9.97 lakhs during Fiscal 2024. Further from August 01, 2023 he was promoted Manager- HR & Admin with revised remuneration of Rs. ₹ 11.50 lakhs per annum.

Other Confirmations

- i. Further, our Company has not entered into any service contracts, pursuant to which it's KMPs are entitled to benefits upon termination of employment. Except statutory benefits upon termination of their employment in our Company or superannuation, no KMPs are entitled to any benefit upon termination of employment or superannuation.
- ii. There is no arrangement or understanding with major shareholders, customers, suppliers or any others pursuant to which any of the abovementioned KMPs have been recruited as KMPs.
- iii. All the key managerial personnel mentioned above are permanent employees of our Company and none of them are related to each other or to any Director of our Company.
- iv. As on the date of filing of this RHP, our Company does not have a performance linked bonus or a profit sharing plan with the KMPs.
- v. There is no contingent or deferred compensation payable to our KMPs, which does not form part of their remuneration.
- vi. No non-salary-related payments or benefits have been made to our KMPs based on targets achieved and general performance.
- vii. Attrition of KMPs in the Company is not high as compared to the industry.

Relationship of Key Managerial Personnel and Senior Management with our Directors, Promoters and / or other Key Managerial Personnel and Senior Management

Except as disclosed below, none of our KMPs and SMPs hold any Equity Shares in our Company as on date of the this Prospectus:

S. No.	Name of Director/KMP/SM	No. of Equity Shares held	% of Pre-Issue Equity Shares Capital	% of Post-Issue Equity Shares
1	Sunil Gandhi,	2	Negligible	Negligible
2	Manish Shah	2	Negligible	Negligible
3	Mainak Bhanja	2	Negligible	Negligible
4	Sanni Kumar	2	Negligible	Negligible

Employees

As of September 30, 2024, we have workforce of 441 comprising of 155 permanent employees including 2 Executive Directors and 9 Key Managerial Personnel and 286 on Contract workers.

Employee stock option and stock purchase schemes

As on date of this RHP, our Company does not have any employee stock option and stock purchase schemes.

Payment or benefit to Key Managerial Personnel and Senior Management of our Company

Except as disclosed in this Prospectus, no amount or benefit has been paid or given within two preceding years or is intended to be paid or given to any of the Key Managerial Personnel and Senior Management except the normal remuneration for services rendered by them. Additionally, there is no contingent or deferred compensation payable to any of our Key Managerial Personnel and Senior Management.

Changes in Key Managerial Personnel and Senior Management in the Last Three Years

In addition to the changes specified under “Changes in our Board during the Last Three Years”, set forth below, are the changes in our Key Managerial Personnel and Senior Management in the last three years immediately preceding the date of filing of this Prospectus:

Name	Designation	Date of change	Reason
Vijay Kumar	Senior & Admin Manager- HR & Admin	July 01, 2024	Promotion
Sonal Jhanwar	Company Secretary and Compliance Officer	June 18, 2024	Appointment
Ashish Kumar	Chief Financial Officer	June 18, 2024	Promotion
Rajat Choudhary	Senior Manager-Operation	April 01, 2024	Promotions
Mainak Bhanja,	Assistant General -R&D Mechanical	April 01, 2024	Promotion
Karunesh Shukla	Assistant General Manager-SCM	April 01, 2024	Promotion
Suresh Kumar	General Manager-Sales and Marketing	April 01, 2024	Appointment
Vijay Kumar	Manager-HR & Admin	August 01, 2023	Promotion
Rajat Choudhary	Manager - Quality	February 27, 2023	Appointment
Sumit Kumar	Manager-IT	November, 10, 2022	Appointment
Vijay Kumar	Deputy Manager-HR & Admin	October 12, 2022	Appointment
Karunesh Shukla	Senior Manager - SCM	September 15,2022	Appointment
Ashish Kumar	Senior Manager – Finance & Accounts	June 13, 2022	Appointment
Mainak Bhanja	Senior Manager - R&D (Mechanical)	April 01, 2022	Promotion
Sanni Kumar	Senior Manager - R&D (Electrical)	April 01, 2022	Promotion

OUR PROMOTER AND PROMOTER GROUP

Our Promoters


The Promoters of our Company are CLN Energy Pte. Ltd. and Rajiv Seth.

As on date of this Prospectus, our Promoter i.e. CLN Energy Pte.Ltd hold 76,61,238 Equity Shares in our Company, representing 99.99% of the issued, subscribed and paid-up Equity Share capital of our Company and

Rajiv Seth does not hold any Equity Shares in our Company.

For details of the build-up of the Promoters' Equity shareholding in our Company, see "*Capital Structure – History of the Equity Share capital held by our Promoters*", on page 62 of this Prospectus.

Details of the Individual Promoter:

Name and Details	
	<p>Rajiv Seth, aged 54 years, is the Promoter, Chairman and Non-Executive Director of our Company. For his complete profile along with the details of his date of birth, address, educational qualification, experience in the business, positions/posts held in past, directorships held, other ventures, special achievements, his business and financial activities, see "<i>Our Management</i> - on page 147 of this Prospectus.</p> <p>PAN: ABAPS3607C</p> <p>Other Interests:</p> <ol style="list-style-type: none"> 1. Aim Sky Limited 2. Great Megha Holding Limited 3. Minmax Energy Limited 4. CLN Energy Pte.Ltd 5. GHVerse Pte Limited 6. GHVerse India Private Limited

Our Company confirms that the permanent account number, bank account number(s), driving license and Aadhaar card numbers of Rajiv Seth have been submitted to the Stock Exchanges at the time of filing the Draft Red Herring Prospectus.

Details of the Corporate Promoter:

CLN ENERGY PTE. LTD.

Corporate Information:

CLN Energy Pte. Ltd. was incorporated as a private company on August 02, 2021 under Singapore Companies Act. Its UEN Number is 202126784N. The registered office of CLN Energy Pte. Ltd. is situated at 2 Venture Drive, #13-30, Vision Exchange, Singapore, 608526.

Nature of Business

The principal activities of the Company are those of other holding companies

The following table sets forth the details of the shareholding pattern of the CLN Energy Pte. Ltd., as on the date of this Prospectus:

Sr. No	Name of Shareholder	Number of Ordinary Shares	Percentage (%) of shareholding
1.	Rajiv Seth	2,75,000	90.61%
2.	Y. Kumar	28,500	9.39%
	Total	3,03,500	100.00%

Promoters of CLN Energy Pte. Ltd.

The promoters of CLN Energy Pte. Ltd. is Rajiv Seth who is also promoter of Company

Board of Directors of CLN Energy Pte. Ltd.

The directors of CLN Energy Pte. Ltd. are Rajiv Seth, Y. Kumar and Vilvarayanallur Kannan Varathan.

Change in control of CLN Energy Pte. Ltd.

There has been no change in the control of CLN Energy Pte. Ltd during the last 3 (three) years preceding the date of this Prospectus.

Our Company confirms that the permanent accounts number, bank account number(s), and as applicable, corporate registration have been submitted to the Stock Exchanges at the time of filing the Draft Red Herring Prospectus with the Stock Exchanges.

Other ventures of our Promoter:

Except as set out in this chapter under heading “Promoter Group” and in the chapter titled “Our Management - Board of Directors” our Promoters are not involved with any other venture.

Change of control of our Company

Our Promoters are not the original promoters of our Company. Our Company was incorporated on October 01, 2019 and on November 14, 2019, Rajiv Seth had indirectly acquired 99.99% stake of our Company via Minmax Energy Limited and currently he is indirectly holding 90.60% stake of our Company via CLN Energy Pte. Ltd. For details, please see “*Capital Structure – Shareholding of our Promoters*” on page 62 of this Prospectus.

Experience of our Promoters in the business of our Company

Our Promoters hold experience in the business of our Company. For details in relation to experience of our Promoters in the business of our Company, please refer to the chapter titled “*Our Management*” beginning on Page No. 147 of this Prospectus.

Interest of our Promoters*Interest in promotion of our Company*

Our Promoters are interested in our Company to the extent that they have promoted our Company and to the extent of their shareholding in our Company and the dividends payable, if any, and any other distributions in respect of their shareholding in our Company or the shareholding of their relatives in our Company. For details of the shareholding and directorships of our Promoters in our Company, please refer to the chapter titled “*Capital Structure*”, “*Our Management*” and “*Restated Financial Information - Related Party Transactions*” beginning on Page Nos. 62, 147 and 168 respectively of this Prospectus.

Interest of Promoters in our Company other than as a Promoter

Our Promoter, Rajiv Seth is the Chairman and Non- Executive Director of our Company, therefore, may deemed to be considered interested to the extent of any remuneration which shall be payable to him in such capacity. Except as stated in this section and the section titled “*Our Management*”, “*Financial Indebtedness*” and “*Restated Financial Information - Related Party Transactions*” beginning on Page No. 147, 211 and 168 respectively, our Promoters do not have any interest in our Company other than as Promoters.

No sum has been paid or agreed to be paid to our Promoters or to the firms or companies in which our Promoters is interested as members in cash or shares or otherwise by any person, either to induce them to become or to qualify them, as directors or promoters or otherwise for services rendered by our Promoters or by such firms or companies in connection with the promotion or formation of our Company.

Interest in the properties of our Company

Our Promoters are not interested in the properties acquired by our Company in the three years preceding the date of filing of this Prospectus with BSE or proposed to be acquired by our Company, or in any transaction by our Company for the acquisition of land, construction of building or supply of machinery.

Other Interest and Disclosures

Except as stated in this section and the chapters titled “*Our Management*”, “*Our Business*”, “*Financial Indebtedness*” and “*Restated Financial Information - Related Party Transactions*” beginning on Page No. 147, 104, 211 and 168 our Promoters does not have any interest in our Company other than as a Promoters.

Except as disclosed in “*Financial Statements*” and “*Financial Indebtedness*” on page 168 and 211 respectively in this Prospectus, our Promoters and members of our Promoter Group have (i) not extended any personal guarantees and (ii) have not provided their personal properties, for securing the repayment of the bank loans obtained by our Company. Our Promoters have not advanced unsecured loans to our Company, for further details, please refer to the chapter titled “*Financial Indebtedness*” on page 211 of this Prospectus.

Our Promoters are not interested in any transaction in acquisition of land or property, construction of building and supply of machinery, or any other contract, agreement or arrangement entered into by the Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

There is no conflict of interest between the suppliers of raw materials and third party service providers (crucial for operations of our Company) and our Company, Promoters, Promoter Group, Key Managerial Personnel, Directors, Subsidiary and its Group Company and its directors.

Payment or benefits to our Promoters and Promoter Group during the last two years

Except as stated in this chapter and in chapter titled “*Restated Financial Information - Related Party Transactions*”, there has been no payment of any amount of benefits to our Promoters or the members of our Promoters’ Group during the last two years from the date of this Prospectus nor is there any intention to pay or give any benefit to our Promoter or Promoters’ Group as on the date of this Prospectus. For further details, please refer to chapter titled “*Restated Financial Information - Related Party Transactions*” beginning on Page No. 168 of this Prospectus.

Material Guarantees

Our Promoters have not given any material guarantees to third parties with respect to the Equity Shares of the Company.

Details of Companies / Firms from which our Promoters have disassociated in the last three years

Our Promoters have not disassociated themselves from any companies, firms or entities during the last three years preceding the date of this Prospectus.

Further, the list of companies, firms or entities from which our Promoters have resigned during the last three years preceding the date of Prospectus is given below:

Sr. No.	Name of Promoter	Name of the Entity from which Promoter has disassociated	Date of disassociation	Reason for disassociation
1.	Rajiv Seth	RV Solutions Private Limited	September 04, 2023	Resignation from the position of a director.
2.	Rajiv Seth	Navyug Technologies Private Limited	February 01, 2024	Resignation from the position of a director.

Compliance with Regulation 5 of the SEBI ICDR Regulations are as follows:

1. Our Promoters or members of our Promoter Group are not debarred from accessing the capital markets by SEBI.

2. None of the Promoters of our Company is a Promoter of any other company, which is debarred from accessing the capital market by SEBI.
3. None of our Promoters have been categorized as a Wilful Defaulter or a Fraudulent Borrower (as defined in the SEBI ICDR Regulations).
4. None of our Promoters have been declared a fugitive economic offender in accordance with the Fugitive Economic Offenders Act, 2018.

Compliance with the Companies (Significant Beneficial Owners) Rules, 2018 and amendments thereof

Our Promoters confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended, to the extent applicable to them, as on the date of this Prospectus.

OUR PROMOTERS' GROUP

In addition to our Promoters, the following individuals and entities form part of our Promoter Group in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations:

Individuals forming part of the Promoter Group:

S. No.	Name of member of our Promoter Group	Relationship with our Promoter
<i>Rajiv Seth*</i>		
1.	Lt. Madan Mohan Seth	Father
2.	Neeru Seth	Mother
3.	Pooja Seth	Sister
4.	Divya Seth	Sister
5.	N/A	Spouse*

** Rajiv Seth was married to Vandana Seth and has been separated as per the Order of Family Court dated 20 December, 2023.*

Entities forming part of the Promoters' Group:

Except as stated below, no other company, firm or HUF are forming part of the promoters' group*:

Sr. No.	Name of the entities
1.	Aim Sky Limited
2.	Great Mega Holdings Limited
3.	Minmax Energy Limited
4.	GHVerse Pte Limited
5.	GHVerse India Private Limited

**None of our promoter group entities are listed on stock exchanges.*

OUR GROUP COMPANIES

Under the SEBI ICDR Regulations, the definition of ‘group companies’ includes (a) such companies (other than the promoters) with which there were related party transactions, during the period for which financial information (“Relevant Period”) is disclosed in the Issue Documents, as covered under applicable accounting standards, and (b) such other companies as are considered material by the Board. With respect to (a) above, all such companies with which our Company had related party transactions during the Relevant Period covered in the Restated Financial Information, in accordance with AS 18, ‘Related Party Disclosures’; shall be considered as a Group Company in terms of the SEBI ICDR Regulations. In addition, for the purposes of (b) above, all such companies shall be considered ‘material’ and will be disclosed as a ‘Group Company’, if such companies (i) currently form part of the Promoter Group; and (ii) have transacted with our Company in the most recent financial year included in the Relevant Period, being Fiscal 2024 and the value of such transactions, individually or in the aggregate, exceeded 5% of the total restated revenue or expenses of the Company for Fiscal 2024.

Accordingly, based on the parameters outlined above, our Company does not have any group company as on the date of this Prospectus.

DIVIDEND POLICY

The declaration and payment of dividends, if any, will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. The dividend, if any, will depend on a number of factors, including but not limited to, net operating profit after tax, working capital requirements, capital expenditure requirements, cash flow required to meet contingencies, outstanding borrowings, and applicable taxes including dividend distribution tax payable by our Company. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under loan or financing arrangements our Company is currently availing of, or may enter into, to finance our fund requirements for our business activities. As on the date of this Prospectus, our Company does not have a formal dividend policy.

Upon listing of the Equity Shares of our Company and subject to the SEBI Listing Regulations, we may be required to formulate a dividend distribution policy which shall be required to include, among others, details of circumstances under which the shareholders may or may not expect dividend, the financial parameters that shall be considered while declaring dividend, internal and external factors that shall be considered for declaration of dividend, policy as to how the retained earnings will be utilized and parameters that shall be adopted with regard to various classes of shares, as applicable.

Our Company has not declared any dividends during the last three Financial Years. Further, our Company has not declared any dividend in the current Fiscal. There is no guarantee that any dividends will be declared or paid in future. For details in relation to the risk involved, please refer section titled “*Risk Factors*” on Page No. 22 of this Prospectus.

SECTION VII- FINACIAL INFORMATION

RESTATED FINANCIAL INFORMATION

INDEPENDENT AUDITORS' EXAMINATION REPORT ON THE RESTATED FINANCIAL INFORMATION IN CONNECTION WITH THE PROPOSED INITIAL PUBLIC OFFERING OF CLN ENERGY LIMITED (FORMERLY KNOWN AS CLN ENERGY PRIVATE LIMITED & JLN PHENIX ENERGY PRIVATE LIMITED)

To,

**The Board of Directors,
CLN Energy Limited
(Formerly Known as CLN Energy Private Limited & JLNPhenix Energy Private Limited)
Plot-18, Sector-140, Phase-2, Nepz Post Office,
Gautam Buddha Nagar, Dadri, 201305,
Uttar Pradesh, India.**

Dear Sir/Ma'am,

1. We have examined the attached Restated Financial Statement along with the Significant Accounting Policies and related notes of CLN Energy Limited (the 'Company') as at and for the period ended September 30, 2024 and for the financial year ended March 31, 2024, March 31, 2023 and March 31, 2022 annexed to this report and prepared by the Company for the purpose of inclusion in the Prospectus in connection with its proposed Initial Public Offer ("IPO") on the SME Platform of the BSE Limited ("BSE").
2. The said Restated Financial Statements and other Financial Information have been prepared in accordance with the requirements of:
 - i) Section 26 of Part I of Chapter III to the Companies Act, 2013("the Act") read with Companies (Prospectus and Allotment of Securities) Rules 2014;
 - ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 ("ICDR Regulations") issued by the Securities and Exchange Board of India ("SEBI") in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications from time to time;
 - iii) The terms of reference to our engagements with the Company requesting us to carry out the assignment, in connection with the Offer Document being issued by the Company for its proposed IPO of equity shares on SME Platform of the BSE Limited ("BSE"); and
 - iv) The Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India ("Guidance Note").
3. We have examined the accompanied 'Restated Statement of Profit and Loss' (Annexure – II) for the period ended September 30, 2024 and for the financial year ended on March 31, 2024, March 31, 2023 and March 31, 2022, the 'Restated Statement of Assets and Liabilities' (Annexure-I) as on above dates and 'Restated Financial Statement of Cash Flows' (Annexure-III) as on above dates, forming part of the 'Financial Information' dealt with by this Report, detailed below. Both read together with the Significant Accounting Policies and Notes to Accounts (Annexure – IV & V) thereon. The Restated Financial Information has been prepared by Company's management. The information has been extracted from the financial statements for the period ended September 30, 2024 and financial year ended on March 31, 2024, March 31, 2023 and March 31, 2022. The Financial Statements for the period ended on September 30, 2024 is audited by us, which was approved by the Board of Directors as on December 6, 2024, and upon which we have placed our reliance while reporting. We have re-audited the financial statement for the financial year 2023-24 as per the generally accepted accounting principles in India as the previous statutory auditor did not hold peer-review certificate. The Financial Statement for the year ended March 31, 2024 and March 31, 2023 were audited by M/s Suraj Mishra and Associates, Chartered Accountants, being the then Statutory Auditor of the Company, which were approved by the Board of Directors as on June 03, 2024 and October 31, 2023 respectively and upon which we have placed our reliance while reporting. The Financial Statement for the year ended March 31, 2022 were audited by M/s Walker Chandiook &

Co LLP, Chartered Accountants, being the then Statutory Auditor of the Company, which were approved by the Board of Directors as on September 20, 2022 and upon which we have placed our reliance while reporting.

4. In terms of Schedule VI (Part A) (11) (II) (i) of the SEBI (ICDR) Regulations, 2018 and other provisions relating to accounts of CLN Energy Limited, we, M/s D G M S & CO, Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the Peer Review Board of the ICAI.
5. Based on our examination, we report that:
 - a. The “Restated Financial Statement of Assets and Liabilities” as set out in Annexure I, “Restated Financial Statement of Profit and Loss” as set out in Annexure II and “Restated Financial Statement of Cash Flows” as set out in Annexure III to this report, of the Company as at September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 is prepared by the Company and approved by the Board of Directors. These Restated Financial Statements have been arrived at after making such adjustments and regroupings to the financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV & V to this Report.
 - b. The Restated Financial Statements have been made after incorporating adjustments for:
 - i. The changes, if any, in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all the reporting period /years. (Refer Note 30 of Annexure V)
 - ii. Prior period and other material amount in the respective financial years to which they relate.
 - iii. Extra-ordinary items, if any, that needs to be disclosed separately in the accounts requiring adjustments, which are stated in the Notes to Accounts as set out in Annexure V.
 - c. There were no qualifications in the Audit Reports issued by Statutory Auditor(s) for the period ended on September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022.
6. At the request of the company, we have also examined the following financial information (“Other Financial Information”) proposed to be included in the offer document prepared by the management and approved by the board of directors of the company and annexed to this report:

Annexure of Restated Financial Statements of the Company:-

- i. Statement of Equity Share Capital, as restated (Note– 3 of Annexure V)
- ii. Statement of Reserves & Surplus, as restated (Note - 4 of Annexure V)
- iii. Statement of Long Term Provisions, as restated (Note- 5 of Annexure V)
- iv. Statement of Other long term liability, as restated (Note- 6 of Annexure V)
- v. Statement of Short Term Borrowings, as restated (Note-7 of Annexure V)
- vi. Statement of Trade Payables, as restated (Note -8 of Annexure V)
- vii. Statement of Other Current Liabilities, as restated (Note- 9 of Annexure V)
- viii. Statement of Short-Term Provisions, as restated (Note- 10 of Annexure V)
- ix. Statement of Property, Plant and Equipment, as restated (Note- 11 of Annexure V)
- x. Statement of Capital work in progress as restated (Note- 11(A) of Annexure V)
- xi. Statement of Long Terms Loans and Advances, as restated (Note- 12 of Annexure V)
- xii. Statement of Other Non current Assets, as restated (Note -13 of Annexure V)
- xiii. Statement of Deferred Tax Assets, as restated (Note- 14 of Annexure V)
- xiv. Statement of Inventories, as restated (Note- 15 of Annexure V)
- xv. Statement of Trade Receivables, as restated (Note- 16 of Annexure V)
- xvi. Statement of Cash and Bank Balances, as restated (Note - 17 of Annexure V)
- xvii. Statement of Short Terms Loans and Advances, as restated (Note- 18 of Annexure V)
- xviii. Statement of Other Current Assets, as restated (Note - 19 of Annexure V)
- xix. Statement of Revenue from Operations, as restated (Note – 20 of Annexure V)
- xx. Statement of Other Income, as restated (Note – 21 of Annexure V)
- xxi. Statement of Raw material consumed, as restated (Note – 22 of Annexure V)
- xxii. Statement of Change in Inventories, as restated (Note – 23 of Annexure V)
- xxiii. Statement of Employee Benefit Expenses, as restated (Note – 24 of Annexure V)
- xxiv. Statement of Finance Cost, as restated (Note – 25 of Annexure V)
- xxv. Statement of Depreciation and amortization expense (Note- 11 of Annexure V)

- xxvi. Statement of Other Expenses, as restated (Note – 26 of Annexure V)
- xxvii. Statement of Employee benefit plans, as restated (Note – 27 of Annexure V)
- xxviii. Statement of Lease commitments, as restated (Note -28 of Annexure V)
- xxix. Statement of Future minimum lease payments, as restated (Note -29 of Annexure V)
- xxx. Statement of Earning in foreign currency , as restated (Note- 30 Annexure – V)
- xxxi. Statement of Unhedged foreign currency exposures, as restated (Note- 31 Annexure –V)
- xxxii. Statement of MSME creditors , as restated (Note – 32of Annexure V)
- xxxiii. Statement of Related party transaction , as restated, as restated (Note- 33 of Annexure V)
- xxxiv. Statement of Earnings per share, as restated (Note -34 of Annexure V)
- xxxv. Statement of Exceptionals items, as restated (Note- 35 of Annexure V)
- xxxvi. Statement of Mandatory Accounting Ratios, as restated (Note- 36 of Annexure V)
- xxxvii. Statement of Other Financial Ratios, as restated (Note – 37 Annexure – V)
- xxxviii. Statement of Reconciliation of profits & reconciliation of net worth (Annexure V)
- xxxix. Statement of Accounting Ratio, as stated (Annexure VI)
- xl. Statement of Capitalisation Statement (Annexure VII)

7. In our opinion, the Restated Financial Statements and the other Financial Information set forth in Annexure I to VIII read with the significant accounting policies and notes to the restated financial statements have been prepared in accordance with section 26 of Companies Act, 2013 and the SEBI Regulations and the Guidance Note on the reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI).

Consequently, the financial information has been prepared after making such regroupings and adjustments as were, in our opinion, considered appropriate to comply with the same. As a result of these regrouping and adjustments, the amount reported in the financial information may not necessarily be the same as those appearing in the respective audited financial statements for the relevant years.

- 8. This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
- 9. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
- 10. This report is intended solely for your information and for inclusion in the Offer document in connection with the Company's proposed IPO of equity shares and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For M/s. D G M S & Co
Chartered Accountants
FRN: 0112187W

SD/-
Hiren Jayantilal Maru
Partner
Membership No: 115279
Place: Mumbai
Date: December 06, 2024
UDIN: 24115279BKBWVK2272

CLN ENERGY LIMITED (FORMERLY KNOWN AS JLNPHENIX ENERGY PRIVATE LIMITED)
CIN : U33100UP2019PLC121869

ANNEXURE V - Note on Reconciliation of Profits & Reconciliation of Networth

Reconciliation of Profits

(Rs in lakhs)

Particulars	For the period ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Net Profit after tax as per Audited profit & loss account	463.65	939.84	111.89	364.13
Adjustment : On account of fire loss expense	-	39.01	(39.01)	-
Net Profit after tax as Restated	463.65	978.85	72.87	364.13

Reconciliation of Networth

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Net Worth after tax as per Audited profit & loss account	1,800.99	1,337.34	397.50	285.62
Adjustment : On account of fire loss expense	-	-	(39.01)	-
Net Worth after tax as Restated	1,800.99	1,337.34	358.49	285.62

Appropriate adjustments have been made in the restated summary statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the latest audited financial statements of the Company, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018 (as amended).

OTHER FINANCIAL INFORMATION

ANNEXURE-VI-ACCOUNTING RATIOS

In accordance with the SEBI ICDR Regulations, the audited financial statements of the Company for the period ended September 30, 2024, March 31, 2024, March 31, 2023, March 31, 2022 and the reports thereon are available at www.clnenergy.in.

The following table sets forth the Company's Accounting Ratios. This table should be read in conjunction with the sections titled "Risk Factors", "Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" respectively.

(₹ in lakhs)

Particulars	Period ended September 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Restated Profit/(loss) after Tax (A)	463.65	978.85	72.87	364.13
Weighted average number of Equity Shares outstanding during the year/period for Basic EPS (B)	76,61,250	76,61,250	76,61,250	75,59,538
Weighted average number of Equity Shares outstanding during the year/period for diluted EPS (C)	76,61,250	76,61,250	76,61,250	75,59,538
Basic Earnings per Equity Share (D = A/B)	6.05	12.78	0.95	4.82
Diluted Earnings per Equity Share (E = A/C)	6.05	12.78	0.95	4.82
Restated Net Worth (F)	1,800.99	1,337.34	358.49	285.62
Return on Net Worth (G=A/F)	25.74%	73.19%	20.33%	127.49%
Actual number of equity shares at the end of the year/period (H)	76,61,250	34,05,000	11,35,000	11,35,000
Net asset value per share (Rs) - based on actual no. of equity shares at the end of the year/period	23.51	39.28	31.59	25.16
EBITDA	1,061.41	1,866.86	667.70	635.62

Notes to Accounting Ratios:

- 1) Basic /Diluted EPS: Net profit after tax / Equivalent weighted average number of shares outstanding during the year.
- 2) Return on Net worth: Profit after Tax / Net Worth
- 3) Net asset value: Net worth / Actual number of shares outstanding during the year
- 4). EBITDA = Sum of Profit before tax, Finance Cost and Depreciation & Amortisation

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

You should read the following discussion and analysis of financial condition and results of operations together with our financial statements included in this Prospectus. The following discussion relates to our Company and is based on our restated financial statements. Our financial statements have been prepared in accordance with GAAP and other applicable provisions of the Companies Act. Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be "Forward looking statement" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.

OVERVIEW

Industry Overview

The global lithium-ion battery market size was estimated at USD 54.4 billion in 2023 and is projected to register a compound annual growth rate (CAGR) of 20.3% from 2024 to 2030. Automotive sector is expected to witness significant growth owing to the low cost of lithium-ion batteries. Global registration of electric vehicles (EVs) is anticipated to increase significantly over the forecast period. The U.S. emerged as the largest market in North America in 2023. Increasing EV sales in the country owing to supportive federal policies coupled with the presence of several players in the U.S. market are expected to drive product demand. Federal policies include the American Recovery and Reinvestment Act of 2009, which established tax credits for purchasing electric vehicles.

Energy storage technologies are predicted to play a major part in the decarbonization of the electricity and transport sectors, which accounted for 49% of India's total greenhouse gas emissions (CO₂ equivalent) in 2016. Among the several energy storage technologies available, lithium-ion batteries are anticipated to dominate the market during the upcoming decade (2021 onwards). Peak electricity demand would rise to 334 gigawatts (GW) by fiscal year 2030, with a total electricity generating need of 2,229 Billing units (BU). Thus, decarbonization of the electricity and transport industries is crucial to combating climate change. India unveiled its ambitious national goals for 2030 at the COP 26 UN Climate Change Conference, which include increasing its non-fossil energy capacity to 500 GW by 2030, obtaining 50% of its electricity needs from renewable sources by 2030, limiting projected carbon emissions by one billion tonnes, and lowering its economy's carbon intensity of its economy by less than 45% by 2030. In India, the lithium-ion battery business is anticipated to experience exponential growth over the next five years (2022 onwards), and the recycling market of these batteries is estimated to be nearly 22-23 GWh in 2030. The lithium-ion battery industry in India is predicted to grow from 2.9-gigawatt hour (GWh) in 2018 to about 132 GWh by 2030 (at a CAGR of 35.5%).

Our Business

Our Company, CLN Energy Limited has been incorporated on October 01, 2019 with a vision to manufacture products that reduces the carbon emission and commits to sustainability. Our company is engaged in the manufacturing of customized Lithium-ion Batteries, motors and deals in powertrain components of electric vehicles such as controllers, throttles, DC-DC converters, display, differential etc. Our company offers B2B solutions for both mobility applications such as electric two, three and four wheelers, including traction application as well as stationary applications such as solar, ESS, and telecommunications, Our Company also offers unique and customised solutions for various applications wherein lithium-ion battery packs are used.

Presently, our company operates two manufacturing facilities, one located in Noida, Uttar Pradesh, and the other in Pune, Maharashtra. Our facilities in Noida and Pune span 42,000 sq. ft and 21,000 sq. ft, respectively, and are equipped with the latest technology. We manufacture lithium-ion battery packs for both mobility and stationary applications. Our current installed manufacturing setup has a Cell Grading Capacity of 168 MWH per annum, Cell Sorting capacity of 358 MWH per annum, manufacturing capacity of 130 MWH per annum, and Battery testing capacity of 72 MWH per annum for two-wheeler batteries, which is the combined capacity of both Noida and Pune facilities. For batteries other than two-wheelers, our facility has a Cell Grading Capacity of 41 MWH per annum, Cell Sorting capacity of 110 MWH per annum, manufacturing capacity of 115 MWH per annum, and Battery testing capacity of 41 MWH per annum. Additionally, our Noida facility has an installed capacity of 60,000 motors per annum.

Significant Developments after September 30, 2024 that may affect our Future Results of Operations

Except as mentioned in Risk Factors, there are no significant developments.

FACTORS AFFECTING OUR RESULT OF OPERATIONS

Except as otherwise stated in this Prospectus and the Risk Factors given in Prospectus, the following important factors could cause actual results to differ materially from the expectations include, among others:

Volatility in the prices of raw materials

Volatility in the prices of raw materials and availability of the raw materials can have significant implications for our business. For the period ended September 30, 2024 and for financial year ended March 31, 2024, March 31, 2023 and March 31, 2022, cost of raw material consumed were ₹5,255.50 lakhs, ₹ 7,483.10 lakhs, ₹ 4,276.50 lakhs and ₹ 2,682.74 lakhs respectively and purchases of stock in trade were ₹ 387.76 lakhs, 1,816.76 lakhs, 5,177.92 lakhs and ₹ 8,336.36 lakhs comprising of 75.42%, 70.08%, 73.39% and 90.55% respectively. Fluctuations in these costs can impact our profitability, operational efficiency, and overall financial stability. When raw material prices experience volatility, it directly affects our production costs. If prices increase, it can lead to higher expenses for sourcing and acquiring the necessary materials. This can squeeze profit margins and potentially result in increased product prices for our customers. On the other hand, if prices decrease, it may create opportunities for cost savings and improved profitability. Import duties and charges is a critical component in our production cost, and any significant fluctuations can directly affect our operational costs. Higher import duties can increase our expenses, while lower prices can provide cost-saving opportunities. To manage the impact of price volatility, we employ various strategies. These include closely monitoring market trends, engaging in strategic sourcing practices, and implementing hedging or forward contracting strategies where applicable. While we cannot control or predict market fluctuations, we strive to proactively manage the risks associated with raw material pricing and availability to ensure the long-term sustainability and profitability of our business.

Unexpected loss, shutdown or slowdown of operations at any of our manufacturing facilities

An unexpected loss, shutdown, or slowdown of operations at any of our facilities can have significant implications for our business. It can disrupt our production processes, impact our ability to meet customer demand, and potentially result in financial losses. Our Company had faced such event in past on June 01, 2022 when a fire accident broke out in our manufacturing unit at Noida. Firstly, such an event can lead to a decrease in our overall production capacity, which may result in delays in fulfilling customer orders. This can lead to dissatisfied customers, potential loss of business, and damage to our reputation. Additionally, the interruption of operations can cause a disruption in our supply chain, affecting the availability of raw materials or components needed for production. This can further exacerbate delays and impact our ability to meet customer demands in a timely manner. Furthermore, a loss, shutdown, or slowdown of operations can have financial implications. It may result in increased costs associated with repairs, maintenance, or finding alternative facilities to continue operations. It can also lead to a decrease in revenue due to the inability to generate sales during the downtime. To mitigate the impact of such events, it is important for us to have contingency plans in place. Our Company has taken various measures for protection against such accidents in future. This includes implementing robust risk management strategies, regularly assessing the condition of our facilities, and having backup plans for alternative production sites if necessary. By taking proactive measures, we aim to minimize the potential disruptions and financial impact caused by unexpected loss, shutdown, or slowdown of operations at any of our facilities.

Dependence on third parties for our suppliers, logistics and transportation needs

Our dependence on stable and reliable logistics and transportation infrastructure is crucial for the smooth operation of our business. Any disruptions or failures in this infrastructure can have significant impacts on our operations, supply chain, and overall business performance. Firstly, a reliable logistics and transportation infrastructure ensures the timely and efficient movement of goods and materials throughout our supply chain. It allows us to receive raw materials on time, transport finished products to customers, and manage inventory effectively. Any disruptions in this process can lead to delays in production, increased costs, and potential customer dissatisfaction. Moreover, a stable logistics and

transportation infrastructure enables us to meet customer expectations in terms of delivery times and service levels. It helps us maintain a competitive edge in the market by ensuring that our products reach customers in a timely manner. Any interruptions or failures in this infrastructure can result in missed delivery deadlines, loss of customer trust, and potential loss of business. Additionally, a reliable transportation network is essential for expanding our market reach and entering new markets. Dependence on unstable or unreliable infrastructure can limit our ability to expand and tap into new customer bases. To mitigate the risks associated with dependence on logistics and transportation infrastructure, we actively monitor and assess the reliability of our logistics partners and transportation providers. We establish contingency plans to address potential disruptions, such as identifying alternative routes or modes of transportation. By prioritizing stable and reliable infrastructure, we aim to minimize the potential impact on our business operations and ensure smooth supply chain management.

Our ability to successfully implement its strategy and its growth and business expansion plans

Our inability to successfully implement the strategies may have several consequences for our Company. Firstly, it could hinder our growth and limit our ability to reach new markets or serve a larger customer base. This could result in missed opportunities for revenue generation and potential loss of market share to competitors who are able to expand successfully. Additionally, the failure to implement the strategies may impact our reputation and credibility in the industry. Stakeholders, including investors, partners, and customers, may question our ability to execute strategic initiatives effectively, which could lead to a loss of trust and potential negative impact on future business relationships. Furthermore, the inability to successfully implement the strategies may have financial implications. It is important to address the challenges and obstacles that are preventing the successful implementation of the strategies. By identifying and addressing these issues, we can mitigate the potential negative impacts and work towards finding alternative solutions or strategies to achieve our expansion goals.

Developments in the competitive environment in the energy industry

Developments in the competitive environment and increase in our competitors in the energy industry, can have both direct and indirect effects on our organization. Here are a few potential impacts:

1. ***Increased competition:*** Consolidation among competitors may result in larger and more powerful players in the market. This could intensify competition as they may have greater resources, economies of scale, and market influence. We may need to adapt our strategies to effectively compete in this changing landscape.
2. ***Pricing pressure:*** Increase in competition can lead to decreased pricing power for larger competitors, potentially putting downward pressure on prices in the industry. This may impact our profitability and require us to find ways to maintain competitiveness while managing costs.
3. ***Market share dynamics:*** If our competitors gain a larger market share, it could impact our position and market presence. We may need to reassess our market positioning and explore ways to differentiate ourselves to maintain or grow our market share.
5. ***Collaboration opportunities:*** Consolidation can also create opportunities for collaboration or partnerships. It may be beneficial to explore potential alliances or strategic partnerships with other players in the industry to leverage synergies and strengthen our competitive position.

It is crucial for us to closely monitor and analyze the developments in the competitive environment, including consolidation among our competitors. By staying informed and proactive, we can adapt our strategies, identify new opportunities, and mitigate any potential risks or challenges that may arise.

Further, below mentioned factors can also affect our revenue:

- **Regulatory Environment:** Government regulations on battery recycling, disposal, and environmental standards impact manufacturing practices and product design. Policies promoting clean energy and electric vehicle adoption also shape market demand.
- **Economic Factors:** Economic conditions, including global demand for electric vehicles (EVs), energy storage systems, and consumer electronics, influence market growth and investment in battery manufacturing capacity.

-
- **Consumer Trends:** Growing demand for electric vehicles, portable electronics, and renewable energy storage solutions drives market expansion. Consumer preferences for longer battery life, faster charging, and safer products shape research and development priorities.
 - **Infrastructure Development:** Expansion of charging infrastructure for electric vehicles and grid-scale energy storage systems influences demand for lithium-ion batteries, driving investment and market growth.
 - **Technological Advancements:** Advances in battery chemistry, manufacturing processes, and energy density significantly affect product performance, cost-efficiency, and competitiveness in the market. Innovations in materials science, electrode design, and cell architecture drive improvements.

SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation of Restated Financial Statements:

"These financial statements have been prepared in accordance with generally accepted accounting principles ('GAAP') in India under the historical cost convention on the accrual basis of accounting. These financial statements have been prepared to comply in all material aspects with the accounting standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the Companies Act, 2013 (hereinafter together referred to as 'the Act') and Schedule III of the Act.

The restated financial information has been prepared for inclusion in the Red Herring Prospectus ("RHP" or "offer document") to be filed by the Company with the Securities and Exchange Board of India ('SEBI') in connection with proposed Initial Public Offering of its equity shares of face value of Rs 10 each of the Company comprising a fresh issue of equity shares and offer for sale of equity shares held by the certain existing shareholders (the "Offer"), in accordance with the requirements of:

a) Section 26 of part I of Chapter III of the Act

b) relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements Regulations, 2018, issued by the Securities and Exchange Board of India ('SEBI') as amended in pursuance of the Securities and Exchange Board of India Act, 1992; and

c) Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI").

The Restated financial information have been compiled from:

a) the audited financial statement of the Company as at September 30, 2024 which have been approved by the Board of Directors at their meeting held on December 06, 2024.

b) the audited financial statement of the Company as at March 31, 2024 which have been approved by the Board of Directors at their meeting held on June 03, 2024.

c) the audited financial statement of the Company as at March 31, 2023 which have been approved by the Board of Directors at their meeting held on October 31, 2023.

d) the audited financial statement of the Company as at March 31, 2022 which have been approved by the Board of Directors at their meeting held on September 20, 2022.

There were no qualifications in the Audit Reports issued by Statutory Auditor(s) for the period ended on September 30, 2024, March 31, 2024, March 31, 2023, and March 31, 2022

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year."

b) Use of estimates and judgements

The preparation of financial statements in conformity with Indian GAAP (Generally accepted accounting principles) requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon Management's best knowledge of current events and actions, uncertainty about these assumption and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

c) Going Concern

The financial accounts of the Company are prepared on the assumption of going concern concept.

d) Current versus non-current classification

"The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification.

An asset is classified as current when it satisfies any of the following criteria:

- It is expected to be realized or intended to be sold or consumed in normal operating cycle
- It is held primarily for the purpose of trading
- It is expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

A liability is current when it satisfies any of the following criteria:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

Current liabilities includes the current portion of long term financial liabilities. The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle."

e) Inventories

"Inventories are carried at the lower of cost or net realisable value. Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In determining the cost, FIFO method is used. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. The proportionate amount of additional duty of customs paid on finished goods imported for trading and lying unsold as at the year end has been included in the value of the finished goods stock. The comparison of cost and net realisable value is made on an item-by-item basis"

f) Property, Plant and Equipment

Fixed Assets are stated at cost less accumulated depreciation and impairment losses, if any. The cost of an item of property, plant and equipment comprises its acquisition price, including import duties and other non-refundable taxes or levies, any directly attributable cost of bringing the asset to its working condition for its intended use, pre-operative expenses including financial charges and adjustments on account of foreign exchange fluctuations, wherever applicable; any trade discounts and rebates are deducted in arriving at the purchase price. Subsequent expenditures

related to an item of fixed asset should be capitalised only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance otherwise expenditure should be written off.

g) Depreciation and Amortisation

"Depreciation on property, plant and equipment is provided on written down value method over the useful lives of assets estimated by the management which are equal to the useful lives prescribed under Schedule II of the Companies Act, 2013. The useful lives estimated by the management are mentioned below:

Furniture and fixtures	: 10 years
Electrical fitting and fixing	: 5 years
Computer and related equipment	: 3 years

Plant & Machineries have been depreciated over a period of 10 years which is the economic useful life of those machineries as per management.

Leasehold improvements is amortised on a straight line basis over the remaining period of the lease or the economic useful life, whichever is lower.

The useful lives are reviewed by the management periodically and revised, if appropriate. In case of a revision, the unamortized depreciable amount is charged over the revised remaining useful life. Depreciation is provided on a pro-rata basis i.e. from the date on which asset is ready for use. Property, Plant and Equipment is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal."

h) Intangible assets

"Intangible assets that are acquired by the company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and accumulated impairment loss (if any).

Subsequent expenditure is capitalised only when it increases the future economic benefits to the specific assets to which it relates.

Intangible assets are amortised in Statement of Profit and Loss over their estimated useful lives, from the date that they are available for use based on the expected pattern of consumption of economic benefits of the assets. Accordingly, at present these are being amortised on written down value method over a period of three years based on the useful economic life.

Amortisation method and useful lives are reviewed at each reporting date. If the useful life of an asset is estimated to be significantly different from previous estimates, the amortisation period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortisation method is changed to reflect the changed pattern. An intangible asset is derecognized on disposal or when no future economic benefit is expected from its use and disposal.

Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the assets, and are recognised in the Statement of Profit and Loss."

i) Impairment of assets

The carrying values of assets are reviewed at each reporting date to determine if there is indication of any impairment. If any indication exists, the recoverable amount of asset is estimated. For assets that are not yet available for use, the recoverable amount is estimated at each reporting date. An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.

j) Recognition of Revenue and Expenses

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. The following specific recognition criteria must be also met before revenue is recognized:

k) Sale of goods:

Revenue in respect of service income is recognised on an accrual basis in accordance with the terms of specific contracts, provided the consideration is reliably determinable and no significant uncertainty exists regarding the collection. The amount recognised as revenue is net of applicable taxes.

l) Income from services:

Revenue in respect of service income is recognised on an accrual basis in accordance with the terms of specific contracts, provided the consideration is reliably determinable and no significant uncertainty exists regarding the collection. The amount recognised as revenue is net of applicable taxes.

m) Expenses:

Expenses are accounted for on accrual basis and provision is made for all known losses and expenses.

n) Transactions in foreign currency

Foreign exchange transactions are recorded at the exchange rates prevailing on the date of such transactions. Realized gains and losses on foreign exchange transactions during the year are recognized in the statement of profit and loss. Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date. The resultant exchange differences are recognized in the statement of profit and loss.

o) Lease Accounting

Assets acquired under leases other than finance leases are classified as operating leases. The total lease rentals (including scheduled rental increases) in respect of an asset taken on operating lease are charged to the Statement of Profit and Loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern of the benefit.

p) Employee benefits

"Short term employee benefits

It includes salaries, short term compensated absences (such as paid annual leave) where the absences are expected to occur within twelve months after the end of the period in which the employees render the related employee service, profit sharing and bonuses payable within twelve months after the end of the period in which the employees render the related services and nonmonetary benefits (such as medical care) for current employees are estimated and measured on an undiscounted basis.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards Employee Provident Fund to Government administered Provident Fund scheme which is a defined contribution plan. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service."

"Gratuity

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit (PUC) method made at the end of each financial year.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Compensated Absences

Employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

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Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

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- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Compensated Absences

Employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method."

"Other long term benefits

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilised wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method."

q) Segment Reporting

The Company operates in a single primary business segment. Hence, there are no reportable segment as per AS 17 Segment Reporting.

r) Earnings per share

Basic Earnings per Share (EPS) is computed by dividing the net profit after tax for the year attributable to the equity shareholders by the weighted average number of shares outstanding during the year. The Company does not have any potentially dilutive securities in any of the years presented to calculate diluted EPS and hence the diluted EPS is the same as basic EPS.

s) Provisions, contingent liabilities and contingent assets

Provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions are not discounted to present value and are determined based on best estimate required to settle the obligation on the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. A disclosure for a contingent liability is made when there is a present obligation that may, but probably will not, require an outflow of resources. Disclosure is also made in respect of a present obligation as a result of past event that probably requires an outflow of resource, where it is not possible to make a reliable estimate of the outflow. Possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company are also included in the disclosure of the contingent liability. Where there is a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

t) Cash and Cash equivalents

Cash and cash equivalents comprise cash on hand and balance with banks on current accounts. The Company considers all highly liquid investments, including bank deposits with an original maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents. Further, bank deposits having maturity of more than 12 months have also been disclosed separately by the company under this head. Moreover, the cash flow statement is prepared using indirect method.

u) General

Accounting policies not specifically referred to, are consistent with the Indian Generally Accepted Accounting Principles and are followed consistently.

RESULTS OF OUR OPERATIONS

(₹ in lakhs)

Particulars	Period ended September 30, 2024	% of Total Income	Year ended March 31, 2024	% of Total Income	Year ended March 31, 2023	% of Total Income	Year ended March 31, 2022	% of Total Income
Income								
Revenue from	7,482.78	98.66%	13,270.87	99.89%	12,881.94	99.95%	12,168.96	99.99%

Particulars	Period ended September 30, 2024	% of Total Income	Year ended March 31, 2024	% of Total Income	Year ended March 31, 2023	% of Total Income	Year ended March 31, 2022	% of Total Income
Operations								
Other Income	101.35	1.34%	15.07	0.11%	6.45	0.05%	1.04	0.01%
Total Income (I+II)	7,584.13	100.00%	13,285.94	100.00%	12,888.39	100%	12,170.00	100.00%
Expenses								
Purchase of Stock-in-Trade	387.76	5.11%	1,816.76	13.67%	5,177.92	40.18%	8,336.36	68.50%
Raw material consumed	5,255.50	69.30%	7,483.10	56.32%	4,276.50	33.18%	2,682.74	22.04%
Changes in inventories of finished goods, WIP and Stock in trade	(249.39)	(3.29)%	(335.27)	(2.52) %	(173.26)	(1.34) %	(373.40)	(3.07)%
Employee Benefits Expense	565.60	7.46%	1289.13	9.70%	916.42	7.11%	401.92	3.30%
Finance Cost	19.01	0.25%	-	-	-	-	-	-
Depreciation & Amortisation expenses	320.91	4.23%	642.58	4.84%	577.32	4.48%	134.45	1.10%
Other Expenses	563.25	7.43%	1165.36	8.77%	1,353.51	10.50%	486.77	4.00%
Total Expenses	6,862.63	90.49%	12,061.66	90.79%	12,128.40	94.10%	11,668.83	95.88%
Profit/(loss) before Exceptional Items and Tax (III-IV+V)	721.49	9.51%	1,224.28	9.21%	759.99	5.90%	501.17	4.12%
Exceptional Items	-	-	-	-	669.61	5.20%	-	-
Profit/(loss) before Tax (VI-VII)	721.49	9.51%	1,224.28	9.21%	90.38	0.70%	501.17	4.12%
Tax Expense								
Current Tax	235.26	3.10%	389.56	2.93%	113.23	0.88%	34.87	0.29%
Deferred Tax	22.59	0.30%	(144.12)	(1.08)%	(95.73)	(0.74)%	102.17	0.84%
Total Tax Expense	257.84	3.40%	245.44	1.85%	17.50	0.14%	137.04	1.13%
Profit/(loss) after Tax (VIII-IX)	463.65	6.11%	978.85	7.37%	72.87	0.57%	364.13	2.99%

FOR THE PERIOD ENDED SEPTEMBER 30, 2024, MARCH 31, 2024, MARCH 31, 2022 AND MARCH 31, 2021

Total Revenue

Revenue from operations

Our revenue from operations for the period ended September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 was ₹ 7,482.78, ₹ 13,270.87 lakhs, ₹12,881.94 lakhs, ₹12,168.96 lakhs which was 98.66%, 99.89%, 99.95%, 99.99% of our total income. Sale of manufactured goods and by products was ₹ 10,029.14 lakhs constituting 75.57%,

traded goods was ₹937.58 lakhs constituting 7.06% and service income was ₹ 2,270.36 lakhs constituting 17.11% of revenue from operations during the year ended March 31, 2024.

Other income

Our other income for the period ended September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 was ₹ 101.35 lakhs, ₹ 15.07 lakhs, ₹ 6.45 lakhs, ₹1.04 lakhs which was 0.11%, 0.05% and 0.01% of our total income for the same period. The component of our other income was Interest income, foreign exchange gain, and profit on sale of fixed assets.

Total Expenses

Raw materials consumed

Our cost of materials consumed for the period ended September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 was ₹ 5,255.50 lakhs, ₹7,483.10 lakhs, ₹ 4,276.50 lakhs, ₹ 2,682.74 lakhs which was 69.30%, 56.32%, 33.18%, 22.04% respectively of our total income for the same period.

Purchase of stock

Our purchase of stock in trade for the period ended September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 was ₹ 387.76 lakhs, ₹ 1,816.76 lakhs, ₹ 5,177.92 lakhs, ₹ 8,336.36 lakhs which was 5.11%, 13.67%, 40.18%, 68.50% of our total income for the same period.

Changes in inventories of finished goods, work-in-progress and stock in trade.

The changes in inventories of finished goods, work-in-progress and stock in trade for the period ended September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 was ₹ 249.39 lakhs, ₹ 333.27 lakhs, ₹ 173.26 lakhs, ₹ 373.40 lakhs which was (3.29)%, (2.52)%, (1.34)%, (3.07)% respectively of our total income for the same period.

Employee benefit expenses

Our employee benefit expenses for the period ended September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 was ₹ 565.50 lakhs, ₹ 1,289.13 lakhs, ₹ 916.42 lakhs, ₹ 401.92 lakhs which was 7.46%, 9.70%, 7.11%, 3.30% respectively of our total income for the same period.

Finance Cost

Our Finance cost for the period ended September 30, 2024, was ₹ 19.01 lakhs, which was 0.25% of our total income for the same period.

Depreciation and amortization

Our depreciation and amortization for the period ended September 30, 2024, 31 March 2024, 31 March 2023 and 31 March 2022 was ₹ 320.91 lakhs, ₹ 642.58 lakhs, ₹ 577.32 lakhs, ₹ 134.45 lakhs which was 4.23% 4.84%, 4.48%, 1.10% of our total income for the same period.

Other expenses

Our other expenses for the period ended September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 was which was ₹ 563.25 lakhs, ₹1,165.36 lakhs, ₹1353.51 lakhs, ₹486.77 lakhs of our total income for the same period. Our other expenses primarily are rent, contractual manpower and job work, freight, exchange fluctuation loss, warrant and insurance.

Tax expenses

Our current tax expenses for the period ended September 30, 2024, March 31, 2024, March 31, 2023; March 31, 2022 was ₹ 235.26 lakhs, ₹389.56 lakhs ₹113.23 lakhs and ₹34.87 lakhs respectively which was 3.10%, 2.93%, 0.88%, and 0.29% of our total income for the same period.

Profit for the ended

Our profit for the ended September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 was ₹ 463.65 lakhs, ₹978.85 lakhs, ₹72.87 lakhs, ₹364.13 lakhs which was 6.11%,7.37%, 0.57%, 2.99% of our total income for the same period.

FISCAL 2024 COMPARED TO FISCAL 2023

Total revenue

Revenue from operations

Revenue from operation has increased by 3.02% to ₹13,270.87 lakhs in Fiscal 2024 from ₹12,881.94 lakhs in Fiscal 2023. Such increase was primarily attributable to an increase in sale of our manufactured products.

Other income

Other income increased by 133.51% to ₹15.07 lakhs in Fiscal 2024 from ₹6.45 lakhs in Fiscal 2023. Such increase was primarily attributable to an increase in interest income and profit on sale of fixed assets.

Total expenses

Raw materials consumed

Cost of materials consumed increased by 74.98% to ₹ 7,483.10lakhs in Fiscal 2024 from ₹ 4,276.50 lakhs in Fiscal 2023. Such increase was predominantly due to decrease in inventory of raw material due to fire accident during the financial year 2022-23.

Purchases of stock in trade

Purchases of stock in trade decreased by 64.91% to ₹1,816.76 lakhs in Fiscal 2024 from ₹ 5,177.92 lakhs in Fiscal 2023 as the Company had generated significant revenue from sale of manufactured products during 23-24 and there was decrease in revenue from traded goods.

Changes in inventories of finished goods, stock in trade and work-in-progress

Changes in inventories of finished goods and work-in-progress was ₹335.27 lakhs in Fiscal 2024 and ₹173.26 lakhs in Fiscal 2023.

Employee benefit expenses

Employee benefits expenses increased by 40.67% to ₹1,289.13 lakhs in Fiscal 2024 from ₹916.42 in Fiscal 2023. This was predominantly due to increase in workforce along with increase in salaries, wages, director remuneration, contribution to provident and other funds and staff welfare expenses. This was consequent to an increase in our number of employees, growth in annual salaries as well as an incremental rise in minimum wages.

Depreciation and amortization expense

Depreciation and amortization expense increased by 11.30% to ₹642.58 lakhs in Fiscal 2024 from ₹577.32lakhs in Fiscal 2023.

Other Expenses

Other expenses decreased by 13.89% to ₹1,165.38 lakhs in Fiscal 2024 from ₹1,353.51lakhs in Fiscal 2023. Our other expenses primarily decreased due to change in dollar rate from ₹75.8071 on March 31, 2022 to ₹82.2169 on March 31, 2023. Other expenses also include rent expenses, contractual labour expenses, provision for doubtful debts, freight, legal and professional fees and repairs and maintenance expenses.

Tax expenses

Our current tax expenses increased to ₹389.56 lakhs in 2024 from ₹113.23 lakhs in 2023. This was predominantly due to an increase in profit for the year. Provision for Deferred tax was ₹ (144.12) lakhs in Fiscal 2024 as compared to ₹ (95.73) lakhs in Fiscal 2023.

Profit for the year

Our profit for the year increased to ₹978.85lakhs in Fiscal 2024 from ₹72.87 lakhs in Fiscal 2023. The profit for these two years are not comparable because the Company had faced a major fire accident in its manufacturing unit at Noida and has booked an exceptional loss of 669.61 lakhs during the year 2022-23.

FISCAL 2023 COMPARED TO FISCAL 2022

Total revenue

Revenue from operations

Our revenue from operations increased by 5.86% to ₹12881.94 lakhs in Fiscal 2023 from ₹12168.96lakhs in Fiscal 2022, predominantly due to an increase in the sale of our products due to partial relaxation of COVID-19 induced lockdown, resulting in the gradual opening up of domestic markets.

Other income

Other income increased by 518.49% to ₹6.45 lakhs in Fiscal 2023 from ₹1.04 lakhs in Fiscal 2022. This increase was predominantly due in interest income.

Raw materials consumed

Cost of materials consumed increased by 59.41% to ₹4,276.50 lakhs in Fiscal 2023 from ₹2,682.74 lakhs in Fiscal 2022. Such increase was predominantly due to increase in purchase of raw materials, electricity and power expenses and higher opening stock of raw material in financial year 2022-23 as compared to 21-22.

Purchases of stock in trade

Purchases of stock in trade decreased by 37.89% was ₹5,177.92 lakhs in Fiscal 2023 as compared to ₹8,336.6 lakhs in Fiscal 2022. Our Company has been focusing of manufactured goods, thereby there is increase in revenue from manufactured good and simultaneous increase in cost of material consumed. Further leading to decrease in traded revenue and purchase of traded goods.

Changes in inventories of finished goods, stock in trade and work-in-progress

Changes in inventories of finished goods, stock in trade and work-in-progress were ₹ 173.26 lakhs in Fiscal 2023from ₹373.40 lakhs in Fiscal 2022.

Employee benefit expenses

Employee benefits expenses increased by 128.01% to ₹916.42lakhs in Fiscal 2023 from ₹401.92 lakhs in Fiscal 2022.This was predominantly due to an increase in business, thereby increase in workforce and team along with

increase in salary and wages, director remuneration, increase in contribution to provident and other funds, gratuity expenses and staff welfare expenses.

Depreciation and amortization expense

Depreciation and amortization expense increased by 329.40% to ₹577.32.65 lakhs in Fiscal 2023 from ₹134.45 lakhs in Fiscal 2022. This was predominantly due to addition in tangible and intangible assets from capital work in progress during the year 2022-23 and the resultant depreciation of plant and machinery, furniture and fixtures, computer equipment, electrical fitting & fixtures and intangible assets during the year.

Other Expenses

Other expenses increased by 178.06% to ₹1,353.51lakhs in Fiscal 2023 from ₹486.77 lakhs in Fiscal 2022. Our other expenses significantly increased in rent expenses, legal and profession fees, exchange fluctuation expenses, warranty expenses and freight expenses. Such increase was in-line with an increase in the revenue as described above, which required an increase in other expenses.

Tax expenses

Our current tax expenses increased to ₹113.23lakhs in 2023 from ₹34.87lakhs in 2022. This was predominantly due to an increase in profit for the year. Deferred tax decreased to ₹95.73 lakhs in Fiscal 2023 as compared to ₹102.17 lakhs in Fiscal 2022.

Profit for the year

The profit after tax was ₹72.87 lakhs in Fiscal 2023 and ₹ 364.13 lakhs in Fiscals 2022.

DISCUSSION ON THE STATEMENT OF CASH FLOWS

The following table sets forth certain information relating to our Company's statement of cash flows for the periods indicated:

(in ₹ lakhs)

Particulars	Period ended September 30,2024	Fiscal		
		2024	2023	2022
Net cash flows generated from operating activities	(860.22)	677.13	1502.48	792.85
Net cash flows (used in) investing activities	(15.87)	(473.58)	(1,426.16)	(928.28)
Net cash flows generated from financing activities	659.44	-	-	202.50
Net increase/(decrease) in cash and cash equivalents	(216.65)	203.55	76.32	67.08

Operating activities

In period ended September 30, 2024, net cash used from operating activities was ₹ 879.22 lakhs. This comprised of the profit before tax of ₹ 721.49 lakhs, which was primarily adjusted for depreciation and amortization expenses of ₹ 320.91 lakhs, interest income of ₹10.26 lakhs, provision for warranty claims of ₹ 21.12 lakhs, finance cost of ₹19.01 lakhs and balance written off ₹91.09 lakhs. The resultant operating profit before working capital changes was ₹1,087.14 lakhs, which was further adjusted for working capital changes

In Fiscal 2024, net cash generated from operating activities was ₹677.13 lakhs. This comprised of the profit before tax of ₹1224.28 lakhs, which was primarily adjusted for depreciation and amortization expenses of ₹642.58lakhs, interest income of ₹13.91 lakhs, provision for warranty claims of ₹45.92 lakhs, profit on sale of property, plant & equipment of ₹1.16 lakhs and unrealized foreign exchange gain/loss ₹197.52 lakhs. The resultant operating profit before working capital changes was ₹ 2,095.23 lakhs, which was further adjusted for working capital changes.

In Fiscal 2023, net cash generated from operating activities was ₹1502.48 lakhs. This comprised of the profit before tax of ₹90.38 lakhs, which was primarily adjusted for depreciation and amortization expenses of ₹577.32lakhs, interest income of ₹6.45lakhs, unrealized foreign exchange gain/loss ₹273.61 lakhs, provision for warranty claims of ₹24.42 lakhs. The resultant operating profit before working capital changes was ₹ 1,628.88 lakhs, which was further adjusted for working capital changes.

In Fiscal 2022, net cash generated from operating activities was ₹792.85lakhs. This comprised of the profit before tax of ₹501.17lakhs, which was primarily adjusted for depreciation and amortization expenses of ₹134.45lakhs, interest income of ₹0.45lakhs, unrealized foreign exchange gain/loss ₹19.81 lakhs, provision for warranty claims of ₹10.77 lakhs. The resultant operating profit before working capital changes was ₹626.12 lakhs, which was further adjusted for working capital changes.

Investing activities

In period ended September 30, 2024, net cash used in investing activities was ₹ 15.87 lakhs, which primarily comprised of addition property, plant, and equipment of ₹ 26.13 lakhs, interest income of ₹10.26 lakhs.

In Fiscal 2024, net cash used in investing activities was ₹ 473.58 lakhs, which primarily comprised of addition property, plant, and equipment (including capital work in progress) of ₹494.75lakhs, sale of fixed asset of ₹7.26 lakhs and interest income of ₹13.91 lakhs

In Fiscal 2023, net cash used in investing activities was ₹1,426.16 lakhs, which primarily comprised of the addition of property, plant, and equipment and intangible assets (including capital work in progress) of ₹ 1,432.62 lakhs and interest income of ₹6.45 lakhs

In Fiscal 2022, net cash used in investing activities was ₹928.28lakhs, which primarily comprised of addition of property, plant, and equipment (including capital work in progress) of ₹928.73lakhs and interest income of ₹0.45 lakhs.

Financing activities

In period ended September 30, 2024, net cash generated from financing activities of ₹678.45 lakhs from the account of proceeds from secured and unsecured loans and ₹19.01 for the finance cost

In Fiscal 2022, net cash generated from financing activities was ₹202.50lakhs from the preferential issue of ₹1.35 lakh shares done during the year 21-22 at the premium of 140/- which predominantly comprised of security premium of ₹189 lakhs.

Contingent Liabilities

As on September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, the Company does not have any contingent liabilities.

OTHER MATTERS

1. Unusual or infrequent events or transactions

On June 01, 2022, the manufacturing plant of the Company located at Plot No.18, Sector 140, Phase-II, Noida caught major fire. Except for the amount of inventory, fixed assets and certain tools, all other assets were lost in the fire. The Company has adequately covered its assets by a fire policy and the Company has filed insurance claim of 1,820.72 and insurance company has accepted claim amounting to Rs. 1,781.71 Lacs for the loss incurred. The total amount of loss claimed by the Company is ₹2,457.32 lacs which includes carrying value of inventories of ₹2,388.16 lacs (including expenses) and carrying value of property, plant and equipment of ₹69.16 lakhs. The insurance receivable amounting to ₹ 1,781.71 has been received from the insurance company.

Except as described in this Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

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

Other than as described in the Section titled “*Financial Information*” and chapter titled “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*”, beginning on pages 168 and 194 respectively of Prospectus respectively, to our knowledge there are no significant economic changes that materially affected or are 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 revenue or income from continuing operations

Other than as described in the chapter titled “*Risk Factors*” and “*Management’s Discussion and Analysis of Financial Conditions and Result of Operations*”, beginning on page 22 and 194 respectively of Prospectus, best to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

4. Future relationship between Costs and Income

Other than as described in the chapter titled “*Risk Factors*” beginning on page 22 of Prospectus, best to our knowledge there are no factors, which will affect the future relationship between costs and income or which are expected to have a material adverse impact on our operations and finances.

5. The extent to which material increases in revenue or income from operations are due to increased volume, introduction of new products or services or increased prices.

6. New Products and Business Segment

Except as disclosed in Prospectus, we have not publicly announced any new products or business segments. For details of new products, please refer to “*Our Business*” on page 104 of Prospectus.

7. The extent to which the business is seasonal.

Our business is not seasonal in nature.

8. Any significant dependence on single or few suppliers or customers

The income from top ten customers comprises of 71.45%, 73.56%, 52.78% and 43.91% of our Revenue from Operation for the period ended September 30, 2024 and Fiscal 2024, Fiscal 2023 and Fiscals 2022 respectively. The purchases from top ten supplier comprises of 84.08%, 78.92%, 88.09% and 96.56% of our total purchases for the period ended September 30, 2024, Fiscal 2024, Fiscal 2023 and Fiscals 2022 respectively. For, further details, please refer chapter “*Risk Factors*” beginning on page 22 of Prospectus.

9. Competition Conditions

We operate in a competitive atmosphere. Our competition varies by market, geographic areas and type of product. Our Company faces stiff competition from domestic market. Some of our competitors may have greater resources than those available to us. See chapters, “*Our Business*”, “*Industry Overview*”, “*Risk Factors*” on pages 104, 88 and 22 respectively of Prospectus

10. Significant Developments after September 30, 2024 that may affect our future results of operations

Except as mentioned in “*Risk Factors*” and “*Management’s Discussion and Analysis of Financial Conditions and Result of Operations*” “on page 22 and 194 of Prospectus, there have been no events or circumstances since the date of the last financial statements as disclosed in the Prospectus which materially or adversely affect or is likely to affect the profitability of our Company, or the value of our assets, or our ability to pay liabilities within next twelve months.

**CAPITALISATION STATEMENT
ANNEXURE VII**

The following table sets forth the Company's capitalization as at September 30, 2024, derived from our Restated Financial Statements, and as adjusted for the Offer. This table should be read in conjunction with the sections titled "Risk Factors", "Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" respectively.

(₹ in lakhs)

Particulars	Pre-Issue as at September 30, 2024	As adjusted for the Issue
Long Term Borrowing	-	-
Short Term Borrowings	678.45	678.45
Total Borrowings (A)	678.45	678.45
Equity Share Capital	766.13	1,055.33
Other Equity	1,034.86	7,975.66
Total Equity (B)	1,800.99	9,030.99
Ratio: Short term borrowing / Total equity (B)	0.38	0.08
Ratio: Total Borrowings (A) / Total Equity (B)	0.38	0.08

FINANCIAL INDEBTEDNESS

The Company avails loan and financing facilities in the ordinary course of business for meeting working capital and business requirements.

The details of the indebtedness of the Company as on September 30, 2024 is provided below:

(Rs in lakhs)

Nature of Borrowings	Amount
Secured Borrowings (Fund Based)	478.45
Unsecured Borrowings	200.00
Total	678.45

Secured Borrowings:

(Rs in lakhs)

Bank Name	Amount sanctioned as on June 26, 2024	Amount outstanding as on September 30, 2024	Interest Rate	Tenure	Nature of Borrowings
ICICI Bank	1,000.00	478.45	9.80%	June 20, 2025	Cash credit-Working Capital- demand loan
Total	1,000.00	478.45			

Note1: Terms of secured borrowings from ICICI Bank:

1. Exclusive charge of Current Assets and Movable Fixed Assets and fixed deposits of 600 lakhs. Currently, Company has given fixed deposit of 300.00 lakhs out of 600.00 lakhs.
2. Personal Guarantee of our Director Rajiv Seth till the tenor of facility

Unsecured Borrowings:

Particulars	Amount
<i>Unsecured loan from Others</i>	
Trex Energy Private Limited	200.00

Note 2: Our Company has received loan from Trex Energy Private Limited at an interest rate of 12% p.a.

Note 3: Bank loans contain certain debt covenants relating to limitation on indebtedness, debt-equity ratio, net Borrowings to EBITDA ratio and debt service coverage ratio.

SECTION VIII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no (i) outstanding criminal proceedings; (ii) actions taken by statutory and/or regulatory authorities; (iii) outstanding claims related to direct or indirect taxes; (iv) other pending litigation as determined to be material by the Board of Directors of the Company as per the Materiality Policy (as defined below) in each case involving the Company, the Promoters, the Directors (“Relevant Parties”); or (v) any litigations involving the Group Companies which have a material impact on the business operations, prospects or reputation of the Company. There are no disciplinary actions including penalties imposed by SEBI or stock exchanges against the Company, its Promoters or its Directors in the last five financial years, including any outstanding action.

Our Board, in its meeting held on June 24, 2024 determined that outstanding legal proceedings involving the Relevant Parties and Group Companies will be considered as material (‘Materiality Policy’) if: (i) the monetary amount of claim by or against the entity or person in any such pending matter exceed 5% (five) of revenue, and (ii) the Board or any of its committees shall have the power and authority to determine suitable materiality thresholds for the subsequent financial years on the aforesaid basis or any other basis as may be determined by the Board or any of its committees.

Except as stated in this section, there are no outstanding material dues to creditors of our Company. For this purpose, our Board has considered and adopted a policy of materiality for identification of material outstanding dues to creditors by way of its resolution dated June 24, 2024. In terms of the materiality policy, creditors of our Company to whom amounts outstanding dues to any creditor of our Company exceeding 5% of the revenue of the Company for the last audited Financial Statements of our Company disclosed in this Prospectus, would be considered as material creditors. Details of outstanding dues to micro, small and medium enterprises and other creditors separately giving details of number of cases and amount involved shall be uploaded and disclosed on the webpage of the Company as required under the SEBI ICDR Regulations. Unless stated to the contrary, the information provided below is as of the date of this Prospectus.

LITIGATION INVOLVING OUR COMPANY

A. LITIGATION AGAINST OUR COMPANY

1. Criminal matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

Sr. No.	Type of Direct Tax	No. of Cases	Amount in dispute/demanded to the extent ascertainable	Stage
1.	Income Tax- A.Y. 2022-2023	1	₹ 5542	Demand has been Paid

(ii) **Indirect Taxes Liabilities**

Sr. No.	Type of Indirect Tax	No. of Cases	Amount in dispute/demanded to the extent ascertainable	Stage
1.	Integrated Goods and Services Tax Act 2017 - for period September 2022	1	₹ 2,85,120	Penalty Amount has been Paid
2.	Integrated Goods and Services Tax Act 2017 – during FY 2024-25	1	₹21,45,814	Penalty Amount has been Paid
3.	Integrated Goods and Services Tax Act 2017 (Port of Import duty)	1	₹1,93,08,573	Penalty Amount to be paid

4. **Other Pending Litigations**

NIL

B. LITIGATION FILED BY OUR COMPANY

1. **Litigation Involving Criminal matters**

- i. ***Criminal Complaint No. CC NI ACT/35636/2023 2023 filed by CLN Energy Private Limited (Formerly JLNPhenix Energy Private Limited) (“the Complainant”) against Rajeew Arora (“the Accused”) under section 138 of the Negotiable Instruments Act, 1881 before Court of Metropolitan Magistrate (NI Act) New Delhi, Patiala House Courts, Delhi).***

The Complainant has filed the Criminal complaint under Section 138 of the Negotiable Instruments Act, 1881 against the Accused with regard to dishonour of cheque issued by the Accused for a sum of Rs. 1,30,84,343/- (Rupees One Crore Thirty Lakhs Eighty-Four Thousand Three Hundred and Forty-Three only). The Complainant has requested the Court to summon, try and punish the Accused with the maximum imprisonment punishable under the provisions of Section 138 of the Negotiable Instruments Act, 1881. The Complainant has also requested to direct the Accused to pay to the Complainant compensation amount of Rs. 2,61,68,686 (Rupees Two Crores Sixty One Lakhs Sixty-Eight Thousand Six Hundred and Eighty Six only) along with fine of Rs. 2,61,68,686 (Rupees Two Crores Sixty One Lakhs Sixty-Eight Thousand Six Hundred and Eighty Six only). This matter is presently pending.

- ii. ***Criminal Complaint No. CT Cases 1478/2023 filed by CLN Energy Private Limited (Formerly JLNPhenix Energy Private Limited) (“the Complainant”) against Elecfuel Energy Ventures Pvt. Ltd. & Ors (“the Accused”) under section 138 of the Negotiable Instruments Act, 1881 before Court of Metropolitan Magistrate (NI Act) South Saket Courts, Delhi).***

The Complainant has filed the Criminal complaint under Section 138 of the Negotiable Instruments Act, 1881 against the Accused with regard to dishonour of cheque issued by the Accused for a sum of Rs. 13,64,337/- (Rupees Thirteen Lakhs Sixty-Four Thousand Three Hundred and Thirty-Seven only). The Complainant has requested the Court to summon, try and punish the Accused with the maximum imprisonment punishable under the provisions of Section 138 of the Negotiable Instruments Act, 1881. The Complainant has also requested to direct the Accused to pay to the Complainant compensation amount of Rs. 27,28,674 (Rupees Twenty Seven Lakhs Twenty Eight Thousand Six Hundred And Seventy Four only) along with fine of Rs. 27,28,674 (Rupees Twenty Seven Lakhs Twenty Eight Thousand Six Hundred And Seventy Four only). This matter is presently pending.

- iii. ***Criminal Complaint No. CC NI ACT 27259/2023 filed by CLN Energy Private Limited (Formerly JLNPhenix Energy Private Limited) (“the Complainant”) against JSMobileon Pvt. Ltd. & Anr***

(“the Accused”) under section 138 of the Negotiable Instruments Act, 1881 before Court of Metropolitan Magistrate (NI Act) New Delhi, Patiala House Courts, Delhi.

The Complainant has filed the Criminal complaint under Section 138 of the Negotiable Instruments Act, 1881 against the Accused with regard to dishonour of cheque issued by the Accused for a sum of Rs. 10,50,000/- (Rupees Ten Lakhs Fifty Thousand only).

Whereas the Accused, with the intention of accessing subsidies under a Government Scheme, entered into an Agreement, to facilitate potential buyers of the Accused's vehicles in availing said government subsidies, thereby potentially augmenting the Accused's vehicle sales. The Complainant agreed to aid the Accused in accessing the Scheme by providing an interest-free loan of Rs. 10,50,000/-, constituting 50% of the homologation cost, repayable by the Accused to the Complainant within one year from the date of obtaining the requisite certification, with repayment structured through installments of Rs. 3,500/- each. Further, Accused issued a Security Cheque amounting to Rs. 10,50,000/- to the Complainant as security against non-payment within one year of obtaining the homologation certificate.

Furthermore, the Accused issued an open purchase order in favor of the Complainant for a minimum of 300 batteries.

At the time of Agreement, it was stipulated that the homologation certificate would be procured from ICAT Manesar, which invoiced the Accused Rs.13,60,933. Pursuant to the Agreement, the Complainant reimbursed 50% of the cost as an interest-free loan. However, significant time has elapsed without receipt of certification from ICAT Manesar, and the Accused ceased pursuing the matter with ICAT, instead filing a new application with NATRAX Indore without the Complainant's consent, resulting in the squandering of funds remitted to ICAT.

Additionally, the Complainant was prohibited from encashing the Security Cheque worth Rs. 10,50,000/-. Subsequently the cheque was presented to the IndusInd Bank Ltd which was returned unpaid because complainant had issued stop payment instructions. Thus, the dishonourment of cheque lead to offence punishable w/s 138 r/w 141 of the Negotiable Instruments Act, 1881. Upon dishonour Accused was demanded to pay the concerned amount within 15 days of Legal Demand Notice. Accused failed to respond to the notice or pay the demanded sum to the Complainant.

The Complainant has requested the Court to summon, try and punish the Accused with the maximum imprisonment punishable under the provisions of Section 148 r/w S-141 of the Negotiable Instruments Act, 1881. The Complainant has also requested to direct the Accused to pay to the Complainant compensation amount of Rs.21,00,000 (Rupees Twenty One Lakhs) along with fine of Rs.21,00,000 (Rupees Twenty One Lakhs). This matter is presently pending.

- iv. ***Criminal Complaint No. CC NI ACT/29587/2023 filed by CLN Energy Private Limited (Formerly JLNPhenix Energy Private Limited) (“the Complainant”) against Redsol Energy Pvt Ltd & Ors (“the Accused”) under section 138 of the Negotiable Instruments Act, 1881 before Court of Metropolitan Magistrate (NI Act) New Delhi, Patiala House Courts, Delhi.***

The Complainant has filed the Criminal complaint under Section 138 of the Negotiable Instruments Act, 1881 against the Accused with regard to dishonour of cheque issued by the Accused for a sum of Rs. 4,56,633/- (Rupees Four Lakhs Fifty Six Thousand Six Hundred and Thirty-Three only). The Complainant has requested the Court to summon, try and punish the Accused with the maximum imprisonment punishable under the provisions of Section 138 of the Negotiable Instruments Act, 1881. The Complainant has also requested to direct the Accused to pay to the Complainant compensation amount of Rs. 9,13,266 (Rupees Nine Lakhs Thirteen Thousand Two Hundred and Sixty Six only) along with fine of Rs. 9,13,266 (Rupees Nine Lakhs Thirteen Thousand Two Hundred and Sixty Six only). This matter is presently pending.

- v. ***Criminal Complaint No. CC NI ACT/13229/2023 filed by CLN Energy Private Limited (Formerly JLNPhenix Energy Private Limited) (“the Complainant”) against Route Auto Electric Ltd & Ors***

(“the Accused”) under section 138 of the Negotiable Instruments Act, 1881 before Court of Metropolitan Magistrate (NI Act) New Delhi, Patiala House Courts, Delhi.

The Complainant has filed the Criminal complaint under Section 138 of the Negotiable Instruments Act, 1881 against the Accused with regard to dishonour of cheque issued by the Accused for a sum of Rs. 5,00,000/- (Rupees Five Lakhs only). The Complainant has requested the Court to summon, try and punish the Accused with the maximum imprisonment punishable under the provisions of Section 138 of the Negotiable Instruments Act, 1881. The Complainant has also requested to direct the Accused to pay to the Complainant compensation amount of Rs. 10,00,000/- (Rupees Ten Lakhs only) along with fine of Rs. 10,00,000/- (Rupees Ten Lakhs only). This matter is presently pending.

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

- i. Arbitration Petition No. ARB.P. 508 / 2024 filed by CLN Energy Private Limited (Formerly JLNPhenix Energy Private Limited) (“the Applicant”) against E Ashwa Automotive Private Limited (“the Respondent”) before the Hon’ble High Court of Delhi at New Delhi.*

The Applicant has filed an application seeking appointment of an arbitrator to adjudicate the disputes that have arisen between parties under Master Sales-Purchase Agreement. The Agreement was entered into between the Parties wherein Applicant was to provide Goods to Respondent under a credit arrangement. The Applicant supplied the goods to the Respondent but did not receive part of the payment of same amounting to Rs. 6,37,845 (Six Lakhs Thirty Seven Thousand Eight Hundred And Forty Five only). In addition to the aforementioned liability, Respondent also issued a Purchase Order of 100 batteries but failed to collect 22 batteries till date, resulting in additional costs to the applicant of Rs. 4,93,702/- (Rupees Four Lakhs Ninety Three Thousand Seven Hundred and Two only). After numerous attempts to resolve the matter amicably, the Petitioner has elected to pursue resolution through arbitration. Further, parties have failed to reach consensus on the appointment of an arbitrator to adjudicate the disputes. Consequently, the Petitioner has been compelled to initiate the present Application praying to the Hon’ble Court to appoint Sole Arbitrator to adjudicate the aforesaid dispute. This matter is presently pending.

- ii. Arbitration Diary No- E-951355/2024 filed by CLN Energy Private Limited (Formerly JLNPhenix Energy Private Limited) (“the Applicant”) against Duak Energy Private Limited (“the Respondent”) before the Hon’ble High Court of Delhi at New Delhi.*

The Applicant has filed an application seeking appointment of an arbitrator to adjudicate the disputes that have arisen between parties under Master Sales-Purchase Agreement. The Agreement was entered into between the Parties wherein Applicant was to provide Goods to Respondent under a 21 days credit arrangement. The Applicant supplied the goods to the Respondent but did not receive outstanding payment of Rs. 11,21,123 (Rupees Eleven Lakhs Twenty One Thousand One Hundred & Twenty Three only) along with the accrued interest @18% p.a. In addition to the aforementioned liability, Respondent also owed customs duty from respondent of Rs. 11,21, 125 (Rupees Eleven Lakhs Twenty One Thousand One Hundred & Twenty Five only) which was paid by Applicant on

behalf of respondent. After numerous attempts to resolve the matter amicably, the Petitioner has elected to pursue resolution through arbitration. Further, parties have failed to reach consensus on the appointment of an arbitrator to adjudicate the disputes. Consequently, the Petitioner has been compelled to initiate the present Application praying to the Hon'ble Court to appoint Sole Arbitrator to adjudicate the aforesaid dispute. This matter is presently pending.

LITIGATION INVOLVING OUR PROMOTERS AND DIRECTORS

A. LITIGATION AGAINST OUR PROMOTERS AND DIRECTORS

1. Criminal matters

- i. MACT No. 34893/2013 filed by Smt. Marajina Khatoon & Anr (“the Petitioner”) against Mr. Ravi Kumar (“the 1st Respondent”) & Mr. Rajiv Seth (“the 2nd Respondents”) under sections 166 and 140 of the Motor Vehicles Act, 1988 before the Hon'ble court of Motor Accident Claim Tribunal, Rohini Courts, Delhi.*

The Petitioner has filed a criminal complaint vide dated 30th September 2013 against the Respondents, seeking compensation of Rs. 50,00,000 (Rupees Fifty Lakhs only) under sections 166 and 140 of the Motor Vehicles Act, 1988. The accident took place on 19th December 2002 in Delhi. The deceased was hit by the car which was driven by 1st Respondent (Driver of 2nd respondent) and husband of the petitioner was declared as bought dead in the hospital by doctors. The amount of compensation was decided to be paid by National Insurance Company Limited of Rs.5,00,000 (Rupees Five Lakhs only). This matter is presently pending.

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

Sr. No.	Type of Direct Tax	No. of Cases	Amount in dispute/demanded to the extent ascertainable	Stage
1.	Income Tax- A.Y. 2023-2024 (Sunil Gandhi)	1	₹ 1,16,224	Revised Return has been filed in response to the Defective Notice issued u/s 139(9)
2.	Income Tax- A.Y. 2021-2022 (Sunil Gandhi)	1	₹ 10,878	Pending Payment / Response

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

NIL

B. LITIGATION FILED BY OUR PROMOTERS AND DIRECTORS

1. Litigation Involving Criminal matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

NIL

LITIGATION INVOLVING GROUP COMPANIES

A. LITIGATION AGAINST OUR GROUP COMPANIES

1. Litigation involving Criminal matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

NIL

B. LITIGATION FILED BY OUR GROUP COMPANIES

1. Criminal matters

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

(i) **Direct Tax Liabilities**

NIL

(ii) **Indirect Taxes Liabilities**

NIL

4. Other Pending Litigations

NIL

AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS

As of September 30, 2024, our Company owes the following amounts to small scale undertakings, other creditors and material creditors:

(Rs. in lakhs)

Particulars	Number of Creditors	Amount involved
Micro, Small and Medium Enterprise	16	139.34
Material Creditors	3	3,243.41
Other Creditor	216	443.64
Total Creditors	235	3,826.39

Details in relation to the amount owed by our Company to material creditors, small scale undertakings and other creditors as on September 30, 2024 are also available on www.clnenergy.in.

It is clarified that information provided on the website of our Company is not a part of this 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, would be doing so at its own risk.

DISCIPLINARY ACTION INCLUDING PENALTY IMPOSED BY SEBI OR STOCK EXCHANGES AGAINST THE PROMOTERS IN THE LAST FIVE FINANCIAL YEARS

There are no disciplinary actions including penalty imposed by SEBI or Stock Exchanges against the Promoters during the last 5 financial years including outstanding actions.

MATERIAL DEVELOPMENTS OCCURRING AFTER LAST BALANCE SHEET DATE

Except as disclosed elsewhere in this Prospectus, there have been no material developments that have occurred after the Last Balance Sheet Date.

GOVERNMENT AND OTHER STATUTORY APPROVALS

Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the Issue or continue our business activities. In view of the approvals listed below, we can undertake the Issue and our current/proposed business activities and no further major approvals from any governmental/ regulatory authority or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of the Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf.

The main objects clause of the Memorandum of Association of the Company and the objects incidental, enable our Company to carry out its activities.

I. Approvals for the Issue

1. The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a resolution passed at its meeting held on June 20, 2024 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of our Company have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a special resolution passed in the extra ordinary general meeting held with a shorter notice on June 22, 2024 authorized the Issue.
3. Our Company's International Securities Identification Number ("ISIN") is INE0WDX01010

II. Approvals pertaining to Incorporation, name and constitution of our Company.

1. Certificate of Incorporation dated October 1, 2019 from the Registrar of Companies, Kanpur, under the Companies Act, 2013 as "JLNPHENIX ENERGY PRIVATE LIMITED"
2. Fresh certificate of incorporation dated May 8, 2023 pursuant to Change of the Name of the Company from "JLNPHENIX ENERGY PRIVATE LIMITED" to "CLN ENERGY PRIVATE LIMITED", issued by the Registrar of Companies, Kanpur.
3. The Corporate Identity Number (CIN) of the Company is U33100UP2019PTC121869.
4. ISIN of the Company is INE0WDX01010.

III. TAX RELATED APPROVALS

Sr. No.	Description	Authority	Registration Number	Date of Issue	Date of Expiry
1.	Permanent Account Number (PAN)*	Income-tax Department, Government of India	AAECJ6580H	October 1, 2019	Valid until cancelled
2.	Certificate of Registration issued under GST in Telangana*	Commercial Tax Department, Government of India	36AAECJ6580H1ZB	April 28, 2022	Valid until cancelled
3.	Certificate of Registration issued under GST in Pune, Maharashtra*	Commercial Tax Department, Government of India	27AAECJ6580H1ZA	January 24, 2022	Valid until cancelled

Sr. No.	Description	Authority	Registration Number	Date of Issue	Date of Expiry
4.	Certificate of Registration issued under GST in Noida, Uttar Pradesh*	Commercial Tax Department, Government of India	09AAECJ6580H1Z8	October 23, 2019	Valid until cancelled
5.	Company has obtained Tax Deduction Account Number (TAN) from Income-tax Department, Government of India bearing registration number MRTJ02807A*.				

* Our Company is yet to make applications to respective authorities for updating each of the aforesaid certificates to reflect its current name pursuant to conversion into a public limited company.

IV. LABOUR RELATED APPROVALS

Sr. No.	Description	Authority	Registration Number	Date of Issue	Date of Expiry
1.	Certificate of Registration under the Employees Provident Fund #*	Employees' Provident Fund Organisation	10000313784NOI	November 06, 2019	Valid until cancelled
2.	Certificate of Enrolment under the Maharashtra State Tax on Professions, Traders, Callings and Employments Act, 1975*	Maharashtra Sales Tax Department	99734227995P	April 01, 2021	Valid until cancelled
3.	Company has obtained Certificate of Registration under the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975* from Maharashtra Sales Tax Department bearing registration number 27561940513P.				
4.	Company has obtained Certificate of Registration under the Employee State Insurance Act, 1948#* from Employees' State Insurance Corporation bearing registration number 67000726090000999.				

Our Company is yet to make applications to respective authorities for updating each of the aforesaid certificates to reflect its current name pursuant to change in name of Company from 'JLNPhenix Energy Private Limited' to 'CLN Energy Private Limited'.

* Our Company is yet to make applications to respective authorities for updating each of the aforesaid certificates to reflect its current name pursuant to conversion into a public limited company.

V. KEY BUSINESS RELATED APPROVALS

Sr. No.	Description	Authority	Registration Number	Date of Issue	Date of Expiry
1	Factory License under Factories Act, 1948 for JLNPhenix Energy, 375/1 and 376, Pune Nagar Road, Opp SBI Bank, Koregaon Bhima, Shirur, Pune, Maharashtra, 412216#*	Directorate Industrial Safety and Health	122102720100571	January 01, 2023	December 31, 2024^
2	Registration and Factory License under Factories Act, 1948 for CLN energy Pvt Ltd, Plot No. 18, Sector 140, Noida,	Labour Department, Uttar Pradesh	UPFA10005544	March 11, 2023	March 10, 2026

Sr. No.	Description	Authority	Registration Number	Date of Issue	Date of Expiry
	Gautam Buddha Nagar				
3	Udyam Registration Certificate*	Ministry of Micro, Small and Medium Industries.	UDYAM-UP-28 0009695	December 20, 2020	Valid until Cancelled
4	Certificate of Registration for Quality Management System#*	Deutsch Quality Systems (India) Private Limited, Member of International Accreditation Forum (IAF), Multilateral Recognition Arrangement	ISO 9001:2015 Registration No. 50258282 QM15	June 13, 2023	June 12, 2026
5	Certificate of Registration for Environment Management Systems#*	Deutsch Quality Systems (India) Private Limited, Member of International Accreditation Forum (IAF), Multilateral Recognition Arrangement	ISO 14001:2015 Registration No. 50258282 UM15	June 13, 2023	June 12, 2026
6	Certificate of Registration for Occupational Health and Safety Management Systems#*	Deutsch Quality Systems (India) Private Limited, Member of International Accreditation Forum (IAF), Multilateral Recognition Arrangement	ISO 45001:2018 Registration No. 50258282 OHS18	June 13, 2023	June 12, 2026
7	Air (Prevention and Control of Pollution) Act 1981*	Uttar Pradesh Pollution Control Board	B-29012/IPCI-VI/2019-20/3660	December 28, 2021	March 31, 2025
8	Water (Prevention and Control of Pollution) Act 1974*	Uttar Pradesh Pollution Control Board	14500867/Water	December 28, 2021	March 31, 2025
9	Battery Waste Management Rules, 2022	Central Pollution Control Board, Ministry of Environment, Forest and Climate Change	7261909653046118183	July 31, 2023	Decemeber31, 2027
10	Consent and Authorization of U.P. Pollution Control Board*	Uttar Pradesh Pollution Control Board	193999/UPPCB/ NOIDA(UPPCBRO) /CTO/both/ NOIDA2023 Application ID: 23008695	September 30, 2023	March 31, 2027
11	Consent to establish under Section 25 of the Water (Prevention & Control of Pollution) Act, 1974 & under Section 21 of the Air (Prevention & Control of Pollution) Act, 1981	Maharashtra Pollution Control Board	RO - PUNE/CONSENT/ 2203000240	March 03, 2023	March 02, 2028

Sr. No.	Description	Authority	Registration Number	Date of Issue	Date of Expiry
	and Authorization under Rule 6 and Rule 18(7) of the Hazardous & Other Wastes (Management & Transboundary Movement) Rules 2016*				
12	Consent to Operate under Section 26 of the Water (Prevention & Control of Pollution) Act, 1974 & under Section 21 of the Air (Prevention & Control of Pollution) Act, 1981 and Authorization under Rule 6 and Rule 18(7) of the Hazardous & Other Wastes (Management & Transboundary Movement) Rules 2016*	Maharashtra Pollution Control Board	MPCB-CONSENT-0000192509	February 12, 2024	February 28, 2027
13	Certificate of Importer-Exporter Code*	Directorate General of Foreign Trade, Ministry of Commerce and Industry, Govt of India	AAECJ6580H	October 14, 2019	Valid until cancelled
14	License for a Warehouse Under section 58 of the Customs Act 1962 along with Permission for manufacturing or other operation in Warehouse under section 65 of the Act.*	Noida Customs Commission rate, Office of the Principle Commissioner of Customs, Government of India	Warehouse Code DER6R017	March 07, 2022	Valid until cancelled
15	License for a Warehouse Under section 58 of the Customs Act 1962 along with Permission for manufacturing or other operation in Warehouse under section 65 of the Act.*	Pune Office of the Commissioner of Customs, Government of India	Warehouse Code GRW6R070	February 28, 2022	Valid until cancelled
16	Fire Safety Certificate (Completion No Objection Certificate)**	Fire Station Officer, Fire Department, Meerut	UPFS/2022/50900/GBN /GAUTAMNAGAR/ 15288/DD	May 22, 2022	May 21, 2025
17	Contract Labour (Abolition & Regulation) Act, 1970 in Pune*	Certificate of Registration	2331000710024248	October 21, 2024	December 31, 2025
18	Registration Certificate for	Central Pollution Control	7261909653046118183	July 31,	July 30, 2028

Sr. No.	Description	Authority	Registration Number	Date of Issue	Date of Expiry
	Producer (Under Rule 4 of Battery Waste Management Rules, 2022*)	Board		2023	
19	Approval Granted for Battery Pack with size of 100AH (ICAT Certificate)*	International Centre for Automotive Technology the division of NATRiP Implementation Society (NATIS), Govt. of India	TAC/reference No. CP9360	June 05, 2023	Valid till new Amendment
20	Approval Granted for Battery Pack with size of 206AH (ICAT Certificate)*	International Centre for Automotive Technology the division of NATRiP Implementation Society (NATIS), Govt. of India	TAC/reference No. CR7604	June 05, 2023	Valid till new Amendment
21	Approval Granted for Battery Pack with size of 100AH (ICAT Certificate)*	International Centre for Automotive Technology the division of NATRiP Implementation Society (NATIS), Govt. of India	TAC/reference No. CP9360	June 05, 2023	Valid till new Amendment
22	Approval Granted for Battery Pack with size of 206AH (ICAT Certificate)*	International Centre for Automotive Technology the division of NATRiP Implementation Society (NATIS), Govt. of India	TAC/reference No. CP7604	June 05, 2023	Valid till new Amendment
23	Extension of Approval for Charger requirements of AIS-156 (Part II)/2022, as per amendment 3	The Automotive Research Association of India (ARAI)	Report No.: ARAI/AED/20232024/3 000033612/CT/5623	December 15, 2023	Valid till new Amendment
24	ICAT Certificate 51.2V 100Ah*	International Centre for Automotive Technology the division of NATRiP Implementation Society (NATIS), Govt. of India	Test Report No. CT0GS9428	July 17, 2023	Valid till new Amendment
25	ICAT Certificate 57.6V 62.4Ah*	International Centre for Automotive Technology the division of NATRiP Implementation Society (NATIS), Govt. of India	Test Report No. CT0GR9066	March 11, 2022	Valid till new Amendment
26	ICAT Certificate 57.6V 48Ah*	International Centre for Automotive Technology the division of NATRiP Implementation Society (NATIS), Govt. of India	Test Report No. CT0GS9801	December 15, 2023	Valid till new Amendment
27	ARAI Certificate 60.8V 100Ah-A*	The Automotive Research Association of India (ARAI)	ARAI/AED/20232024/3 000030840/CT/5262	July 17, 2023	Valid till new Amendment
28	ARAI Certificate 60.8V 100Ah-B*	The Automotive Research Association of	ARAI/AED/20232024/3 000030840/CT/5264	July 17, 2023	Valid till new Amendment

Sr. No.	Description	Authority	Registration Number	Date of Issue	Date of Expiry
		India (ARAI)			
29	ARAI Certificate 64V 100Ah*	The Automotive Research Association of India (ARAI)	ARAI/AED/20232024/3 000030840/CT/5263	July 17, 2023	Valid till new Amendment
30	ARAI Certificate 60.8V 200Ah*	The Automotive Research Association of India (ARAI)	ARAI/AED/20232024/3 000031736/CT/5375	August 30, 2023	Valid till new Amendment
31	ARAI Certificate 51.2V 200Ah*	The Automotive Research Association of India (ARAI)	ARAI/AED/20232024/3 000029718/CT/5116	June 07, 2023	Valid till new Amendment
32	ICAT Certificate 92.8V 206Ah*	International Centre for Automotive Technology the division of NATRiP Implementation Society (NATIS), Govt. of India	TAC/reference No. CR7604	April 24, 2024	Valid till new Amendment
33	Motor 48V 1.5kW*	The Automotive Research Association of India (ARAI)	ARAI/AED/20232024/3 000029639/CT/5092	May 18, 2023	Valid till new Amendment
34	Motor 60V 1.75kW*	The Automotive Research Association of India (ARAI)	ARAI/AED/20232024/3 000031468/CT/5323	August 16, 2023	Valid till new Amendment
35	TSEC 48V 100Ah*	Bharat Sanchar Nigam Limited	NCR/074/24-25	May 30, 2024	Valid till new Amendment
36	TSEC 48V 50Ah *	Bharat Sanchar Nigam Limited	NCR/304/23-24	March 25, 2024	Valid till new Amendment


Our Company is yet to make applications to respective authorities for updating each of the aforesaid certificates to reflect its current name pursuant to change in name of Company from 'JLNPhenix Energy Private Limited' to 'CLN Energy Private Limited'.

* Our Company is yet to make applications to respective authorities for updating each of the aforesaid certificates to reflect its current name pursuant to conversion into a public limited company.







^ Our Company has made an application for renewal to the relevant authority.

VI. INTELLECTUAL PROPERTY

Our Company has the following registered trademarks:

Sr. No.	Trade Mark	Name of Applicant	Date of Application	Application No.	Class	Current Status
1.		JLNPhenix Energy Private Limited (TM-P filed for bringing on record the change in company's name from JLNPhenix Energy to CLN Energy on 25-May-2023)	16/12/2019	4378699	Class 9	Registered Valid till: 16-Dec- 2029
2.		JLNPhenix Energy	02/11/2020	4727580	Class 9	Registered

Sr. No.	Trade Mark	Name of Applicant	Date of Application	Application No.	Class	Current Status
	CHARGYY	Private Limited (TM-P filed for bringing on record the change in company's name from JLNPhenix Energy to CLN Energy on 25-May-2023)				Valid till: 02-Nov- 2030
3.	CLN	CLN Energy Private Limited	26/08/2022	5584416	Class 7	Registered Valid till: 26-Aug-2032
4.	CLN	CLN Energy Private Limited	26/08/2022	5584417	Class 9	Accepted & Advertised
5.	CLN	JLN Phenix Energy Private Limited (TM-P filed for bringing on record the change in company's name from JLNPhenix Energy to CLN Energy on 25-Jul- 2023)	26/08/2022	5584418	Class 12	Registered Valid till: 26-Aug-2032
6.	CLN	JLN Phenix Energy Private Limited (TM-P filed for bringing on record the change in company's name from JLNPhenix Energy to CLN Energy on 25-Jul- 2023)	26/08/2022	5584419	Class 37	Registered Valid till: 26-Aug-2032
7.	CLN	JLN Phenix Energy Private Limited (TM-P filed for bringing on record the change in company's name from JLNPhenix Energy to CLN Energy on 25-Jul- 2023)	26/08/2022	5584420	Class 39	Registered Valid till: 26-Aug-2032
8.	CLN	JLN Phenix Energy Private Limited (TM-P filed for bringing on record the change in company's name from JLNPhenix Energy to CLN Energy on 25-	26/08/2022	5584421	Class 40	Registered Valid till: 26-Aug-2032

Sr. No.	Trade Mark	Name of Applicant	Date of Application	Application No.	Class	Current Status
		Jul- 2023)				
9.	CLN ENERGY	CLN Energy Private Limited	27/02/2023	5825856	Class 7	Accepted & Advertised
10.	CLN ENERGY	CLN Energy Private Limited	27/02/2023	5825860	Class 9	Accepted & Advertised
11.	CLN ENERGY	CLN Energy Private Limited	27/02/2023	5825864	Class 12	Registered Valid till: 27-Feb-2033
12.	CLN ENERGY	CLN Energy Private Limited	27/02/2023	5825866	Class 37	Registered Valid till: 27-Feb-2033
13.	CLN ENERGY	CLN Energy Private Limited	27/02/2023	5825868	Class 39	Registered Valid till: 27-Feb-2033
14.	CLN ENERGY	CLN Energy Private Limited	27/02/2023	5825870	Class 40	Registered Valid till: 27-Feb-2033
15.		CLN Energy Private Limited	27/05/2023	5954334	Class 7	Objected
16.		CLN Energy Private Limited	27/05/2023	5954335	Class 9	Objected
17.		CLN Energy Private Limited	27/05/2023	5954336	Class 12	Registered Valid till: 27-May-2033
18.		CLNS Energy Private Limited	27/05/2023	5954337	Class 37	Accepted & Advertised
19.		CLN Energy Private Limited	27/05/2023	5954338	Class 39	Registered Valid till: 27-May-2033
20.		CLN Energy Private Limited	27/05/2023	5954339	Class 40	Registered Valid till: 27-May-2033

PENDING APPROVALS

A. Pending For Renewal

NIL

B. Applications yet to be made

NIL

C. Applications made

Sr. No.	Title of Invention	Name of Applicant	Application No.	Application date	Inventor	Current Status
1.	Fail-Safe Overcharge Protection of Solid State Li Ion Battery Against Charging Timeout	CLN Energy Private Limited	202211050911	06/09/2022	Allabaksh Naikodi	Awaiting Request for Examination
2.	Novel Permanent Magnet Assisted Synchronous Reluctance Rotor	CLN Energy Private Limited	202211056074	30/09/2022	Allabaksh Naikodi	Awaiting Request for Examination
3.	Novel Single Layer Permanent Magnet Rotor With Less Torque Ripple	CLN Energy Private Limited	202211056073	30/09/2022	Allabaksh Naikodi	Awaiting Request for Examination

SECTION IX – OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

The Board of Directors has, pursuant to a resolution passed at its meeting held on June 20, 2024 authorized the Issue, subject to the approval of the shareholders of the Company under Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013.

The shareholders of the Company have, pursuant to a special resolution passed in EGM held on June 22, 2024 authorized the Issue under Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013

Our Company has received an In-Principle Approval letter dated November 19, 2024 from BSE Limited for using its name in this Prospectus for listing our shares on the SME Platform of BSE Limited. BSE Limited is the Designated Stock Exchange for the purpose of this Issue.

PROHIBITION BY SECURITIES MARKET REGULATORS

Our Company, our Promoter, our Directors and our Promoter's Group, person(s) in control of the promoter or issuer, have not been prohibited from accessing the capital market or debarred from buying, selling, or dealing in securities under any order or direction passed by the Board or any securities market regulators in any other jurisdiction or any other authority/court as on date of this Prospectus.

The listing of any securities of our Company has never been refused at any time by any of the stock exchanges in India

CONFIRMATIONS

1. Our Company, our Promoter, Promoter's Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018.
2. None of the Directors in any manner associated with any entities which are engaged in securities market related business and are registered with the SEBI in the past five years.
3. There has been no action taken by SEBI against any of our Directors or any entity with which our Directors are associated as Promoter or directors.

PROHIBITION BY RBI OR GOVERNMENTAL AUTHORITY

Neither our Company, nor our Promoter, nor the relatives (as defined under the Companies Act) of our Promoter, have been identified as wilful defaulters or Fraudulent Borrowers by bank or financial institution or consortium thereof in accordance with the guidelines on willful defaulters or fraudulent borrowers issued by the RBI.

CONFIRMATION IN RELATION TO RBI CIRCULAR DATED JULY 1, 2016

Neither our Company, nor any of our Promoters or Directors have been declared as fraudulent borrowers by the lending banks or financial institution or consortium, in terms of the Master Directions on Frauds –Classification and Reporting by commercial banks and select FIs dated July 1, 2016, as amended, issued by the Reserve Bank of India.

ELIGIBILITY FOR THE ISSUE

Our Company is not ineligible in terms of Regulations 228 of SEBI ICDR Regulations for this Issue as:

- Neither our Company, nor any of its Promoters, Promoter Group or Directors are debarred from accessing the capital market by the Board.
- Neither our Promoters, nor any Directors of our Company is a promoter or director of any other company which is debarred from accessing the capital market by the Board.
- Neither our Promoters nor any of our directors is declared as Fugitive Economic Offender.
- Neither our Company, nor any of our promoter or directors are Wilful Defaulters or a fraudulent borrower.

Our Company is eligible for the Issue in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations 2018, as we are an Issuer whose post issue face value paid-up capital shall be upto ₹ 1,055.33 lakhs can issue Equity Shares to the public and propose to list the same on the SME Platform of BSE Limited.

Our Company also complies with the eligibility conditions laid by the SME Platform of BSE Limited for listing of

our Equity Shares. The point wise Criteria for SME Platform of BSE Limited and compliance thereof are given hereunder:

- 1) Our Company was originally incorporated as "JLNPhenix Energy Private Limited" on October 1, 2019 under the provisions of the Companies Act, 2013 with the Registrar of Companies, Uttar Pradesh, Kanpur with CIN U33100UP2019PTC121869. Subsequently, pursuant to Special Resolution passed by the Shareholders at the Annual General Meeting, held on September 29, 2022, our company's name changed to "CLN Energy Private Limited". Further, pursuant to Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting, held on April 04, 2024, our Company was converted into a Public Limited Company and consequently the name of our Company was changed from " CLN Energy Private Limited " to " CLN Energy Limited " vide a fresh certificate of incorporation consequent upon conversion from private company to public company dated June 18, 2024 issued by the Central Processing Centre bearing CIN: U33100UP2019PLC121869.
- 2) As on the date of this Prospectus, the Company has a Paid-up Capital of Rs. 766.12 Lakhs, Proposed Issue Size in this Initial Public Offer is 28,92,000 equity shares and hence the Post Issue Capital will be above 10 Crores but less than 25 Crores.
- 3) The Company has a track record of at least 3 years as on the date of filing Prospectus.
- 4) As on September 30, 2024 and March 31, 2024, the Company has net tangible assets on Rs. 1,697.61 lakhs and Rs. 1,183.67 lakhs.
- 5) The Company confirms that it has operating profits (earnings before interest, depreciation and tax) from operations for at least 2 financial years out of preceding three financial years and its net-worth as on March 31, 2024, March 31, 2023 and March 31, 2022 is at least Rs. 1 crore.

(In Rs. Lakhs)

Particulars	For period ended September 30, 2024	FY 2023-24	FY 2022-23	FY 2021-22
Net Worth	1,800.99	1,337.34	358.49	285.62
EBITDA	1,061.41	1,866.86	667.70	635.62

- 6) The Leverage ratio (Total Debts to Total Equity) of the Company is 0.38 (debts as on September 30, 2024) which is less than the limit of 3:1.
- 7) The Company confirms that no regulatory action of suspension of trading against the promoter(s) or companies promoted by the promoters by any stock Exchange having nationwide trading terminals.
- 8) The Company further confirms that the Promoters or directors are not the promoters or directors (other than independent directors) of compulsory delisted companies by the Exchange and neither they are the promoters or directors of such companies on which the consequences of compulsory delisting is applicable/attracted or companies that are suspended from trading on account of noncompliance.
- 9) The Company confirms that there are no pending defaults in respect of payment of interest and/or principal to the debenture/ bond/ fixed deposit holders by our Company and promoters.
- 10) The Company confirms that there has been a change in its name in last 1 year. Company was converted into a Public Limited Company and consequently the name of our Company was changed from " CLN Energy Private Limited " to " CLN Energy Limited "
- 11) None of the Director of the Company have been disqualified / debarred by any of the Regulatory Authorities.

Other Requirements

We confirm that:

- a. Our Company has a website: www.clnenergy.in;

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- b. The Equity Shares of our Company held by our Promoters are in dematerialised form;
 - c. Our Company shall mandatorily facilitate trading in Demat securities for which we have entered into an agreement with the Central Depository Services Limited (CDSL) dated June 24, 2024 and National Securities Depository Limited dated May 15, 2024 for establishing connectivity.
 - d. There has been no change in the promoter of our Company in the preceding one year from date of filing application to BSE for listing on SME segment.
 - e. The composition of the board our company in compliance with the requirements of Companies Act, 2013 at the time of in-principle approval.
 - f. The Net worth of our company as mentioned above computed as per the definition given in SEBI (ICDR) Regulations
 - g. Our Company has not been referred to NCLT under IBC.
 - h. There is no winding up petition against our company, which has been admitted by the court.

Disclosures:

We confirm that:

- a. Our Company confirms that there is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters, companies promoted by the promoters of the Company;
- b. Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR);
- c. There is no winding up petition against our Company that has been admitted by the Court or a liquidator has not been appointed of competent Jurisdiction against the Company.
- d. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company.
- e. The directors of the issuer are not associated with the securities market in any manner, and there is no outstanding action against them initiated by the Board in the past five years.
- f. There has been no change in the promoters of the company in preceding one year from date of filing the application to BSE for listing under SME segment

In terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, we confirm that:

1. In accordance with regulation 260 of the SEBI ICDR Regulations, this Issue is 100% underwritten in compliance of Regulations 260(1) and 260(2) of the SEBI (ICDR) Regulations, 2018. For details pertaining to underwriting, please refer to Section titled “*General Information*” beginning on page no. 50 of this Prospectus.
2. In accordance with Regulation 261 of the SEBI (ICDR) Regulations, 2018, the BRLM will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares Issue in the Initial Public Issue. For details of the market making arrangement, see Section titled “*General Information*” beginning on page no. 50 of this Prospectus.
3. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, 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 within 4 (Four) days of such intimation. If such money is not repaid within 4 (Four) 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 4 (Four) days, be liable to repay such application money, with interest at the rate 15% per annum. 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.
4. In accordance with Regulation 246 the SEBI (ICDR) Regulations, 2018, we shall also ensure that we submit the soft copy of the Prospectus through the BRLM immediately upon registration of the Prospectus with the Registrar of

Companies along with a Due Diligence Certificate including additional confirmations. However, SEBI shall not issue any observation on the Prospectus

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.

SEBI DISCLAIMER CLAUSE

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE RED HERRING PROSPECTUS TO THE 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 RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE RED HERRING PROSPECTUS GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE OUR COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE RED HERRING PROSPECTUS / PROSPECTUS, THE BOOK RUNNING LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT OUR COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, ARYAMAN FINANCIAL SERVICES LIMITED SHALL FURNISH TO SEBI, A DUE DILIGENCE CERTIFICATE DATED JANUARY 16, 2025 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THE RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR 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 BOOK RUNNING LEAD MANAGER, ANY IRREGULARITIES OR LAPSES IN THE RED HERRING PROSPECTUS.

ALL LEGAL REQUIREMENTS PERTAINING TO THIS ISSUE WILL BE COMPLIED WITH AT THE TIME OF FILING OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES, KANPUR AT UTTAR PRADESH, IN TERMS OF SECTION 26 AND SECTION 32 OF THE COMPANIES ACT, 2013.

DISCLAIMER CLAUSE OF THE SME PLATFORM OF THE BSE LIMITED

Disclaimer Clause of the BSE

“BSE Limited (“BSE”) has vide its letter dated November 19, 2024, given permission to “CLN Energy 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 promoters, 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 (s) 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 at its own risk, and is responsible for complying with all 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 FROM OUR COMPANY, OUR DIRECTORS AND THE BOOK RUNNING LEAD MANAGER

Our Company, the Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than those contained in this Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company’s instance and anyone placing reliance on any other source of information, including our Company’s website, www.clnenergy.in, or the websites of the members of our Promoter Group, would be doing so at his or her own risk.

The BRLM accept no responsibility, save to the limited extent as provided in the Issue Agreement entered between the BRLM (Aryaman Financial Services Limited) and our Company on July 23, 2024, and the Underwriting Agreement dated October 24, 2024 entered into between the Underwriters and our Company and the Market Making Agreement dated October 24, 2024 entered into among the Market Maker, BRLM and our Company.

All information shall be made available by our Company and the Book Running Lead Manager 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 Book Running Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, Group Entity, 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 Group, Group Entity, and our affiliates or associates, for which they have received and may in future receive compensation.

Note:

Investors that apply in this Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriters and BRLM 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 Issue, 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 Underwriter and BRLM 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 Equity Shares of our company.

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 not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised 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 the applicable trust law and who are authorized under their constitution to hold and invest in shares, and any FII sub-account registered with SEBI which is a foreign corporate or Foreign individual, permitted insurance companies and pension funds and to FIIs and Eligible NRIs. This Prospectus does not, however, constitute an invitation to subscribe to Equity Shares Issue hereby in any other jurisdiction to any person to whom it is unlawful to make an Issue or invitation in such jurisdiction. Any person into whose possession the 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 the jurisdiction of appropriate court(s) in Mumbai only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose.

Accordingly, our Company's Equity Shares, represented thereby may not be offered or sold, directly or indirectly, and Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of Prospectus nor any sale here under shall, under any circumstances, create any implication that there has been any change in our Company's affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT, 1993

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 offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S of 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 offered and sold (i) in the United States only to "qualified institutional buyers", as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions 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. Further, each applicant, wherever requires, agrees that such applicant will not sell or transfer any Equity Share 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 OF DRAFT RED HERRING PROSPECTUS / RED HERRING PROSPECTUS / PROSPECTUS WITH THE BOARD AND THE REGISTRAR OF COMPANIES

The Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Issue Document in terms of Regulation 246 (2) of SEBI ICDR Regulations. Pursuant to SEBI Master Circular, a copy of the Red Herring Prospectus / Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. Further, a copy of Red Herring Prospectus / Prospectus will also be filed with the SME Platform of BSE Limited, where the Equity Shares are proposed to be listed.

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed under Section 32 of the Companies Act, 2013 was filed with the RoC and a copy of the Prospectus required to be filed under Section 26 of the Companies Act, 2013 will be filed with the RoC at its office and through the electronic portal at <http://www.mca.gov.in/mcafoportal/loginvalidateuser.do>.

LISTING

Application is to be made to the SME Platform of BSE for obtaining permission to deal in and for an official quotation of our Equity Shares. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

Our Company has received an In-Principle Approval letter dated November 19, 2024 from BSE Limited for using its name in this offer document for listing our shares on the SME Platform of BSE.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the BSE, the Company shall refund through verifiable means the entire monies received within Four days of receipt of intimation from stock exchanges rejecting the application for listing of specified securities, and if any such money is not repaid within four day after the company becomes liable to repay it the company and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

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 mentioned above are taken within three Working Days from the Issue Closing Date.

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.”

The liability prescribed under Section 447 of the Companies Act, 2013 - any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud.

Provided further that where the fraud involves an amount less than ten lakh rupees or one per cent. of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to fifty lakh rupees or with both.

CONSENTS

The written consents of Promoter, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor, Bankers to the Company, Legal Advisor to the Issue, the BRLM to the Issue, Registrar to the Issue, Market Maker, Banker to the Issue, Syndicate Member and Underwriter to act in their respective capacities have been obtained.

Above consents have been filed along with a copy of the Red Herring Prospectus with the ROC, as required under Sections 26 and 32 of the Companies Act, 2013 and such consents have not been withdrawn up to the time of delivery of the Prospectus for registration with the ROC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, 2018, our Company has received written consent dated November 21, 2024 from the Statutory Auditor to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Prospectus as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as a Statutory Auditor and in respect of its (i) examination report dated December 06, 2024 on our Restated Financial Information; and (ii) its report dated December 06, 2024 on the statement of special tax benefits in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus.

EXPERT OPINION

Except for the reports in the sections “*Statement of Special Tax Benefits*” and “*Financial Information*” on pages 168 and 193 respectively of this Prospectus from the Peer Reviewed Auditor, our Company has not obtained any expert opinions. We have received written consent from the Peer Reviewed Auditor for inclusion of their name in this Prospectus, as required under Companies Act read with SEBI (ICDR) Regulations as “Expert”, defined in section

2(38) of the Companies Act and such consent has not been withdrawn as on the date of this Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act, 1933.

CAUTION

The Lead Manager accepts no responsibility, save to the limited extent as provided in the MoU for Issue Management entered into among the Book Running Lead Manager and our Company dated July 23, 2024, the Underwriting Agreement dated October 24, 2024 entered into among the Underwriter, and our Company and the Market Making Agreement dated October 24, 2024 entered into among the Market Maker, Lead Manager and our Company. All information shall be made available by us and the Lead Manager 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 or at collection centres or elsewhere.

PREVIOUS PUBLIC OR RIGHTS ISSUE

Our Company has not made public issue or rights issue to the public at large under SEBI ICDR Regulations, in the past. For details of rights issues please refer chapter titled “*Capital Structure*” beginning on page no. 62 of this Prospectus.

UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

We have not made any previous public Issue. Therefore, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring for or agreeing to procure subscription for any of the Equity Shares of the Company since its inception.

CAPITAL ISSUE DURING THE LAST THREE YEARS

For details of the capital issued of our Company in past three years, please refer chapter titled “*Capital Structure*” beginning on page no. 62 of this Prospectus. Our Company does not have any associates or listed Group Company, as of the date of this Prospectus.

PERFORMANCE VIS-A-VIS OBJECTS

Except as stated in the chapter titled “*Capital Structure*” beginning on page 62 of this Prospectus, our Company has not undertaken any previous public or rights issue. None of the Entities or associates of our Company are listed on any stock exchange.

PERFORMANCE VIS-À-VIS OBJECTS –PUBLIC/ RIGHTS ISSUE OF SUBSIDIARIES/ LISTED PROMOTERS

As on the date of this Prospectus, our Company does not have any Subsidiaries / Listed Promoter

Price Information of past issues handled by the Book Running Lead Manager

Price information of past issues (during current financial year and two financial years preceding the current financial year) handled by Aryaman Financial Services Limited.

Sr. No.	Issue Name	Issue size (₹ in Cr.)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in Price on closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing	
1.	Indo Farm Equipment Limited	260.15	215.00	07-01-25	258.40	NA	NA	NA	NA	NA	NA
2.	Khyati Global Ventures Limited	18.29	99.00	11-10-24	105.00	(30.81%)	(2.33%)	(32.31%)	(4.62%)	NA	NA
3.	Vraj Iron and Steel Limited	171.00	207.00	03-07-24	240.00	9.42%	1.24%	26.96%	5.35%	6.01%	(2.17%)
4.	Shivam Chemicals Limited	20.18	44.00	30-04-24	48.00	11.75%	(0.80%)	22.73%	9.23%	14.39%	6.60%
5.	Arrowhead Seperation Engineering Limited	13.00	233.00	28-11-23	250.00	(18.43%)	9.42%	(22.75%)	10.00%	(36.46%)	13.96%
6.	Mish Designs Limited	9.76	122.00	07-11-23	160.00	5.53%	7.05%	22.13%	10.45%	2.46%	13.76%
7.	Sunita Tools Limited	22.04	145.00	11-10-23	155.00	9.90%	(2.36%)	106.21%	7.39%	107.17%	12.44%
8.	Master Components Limited	15.42	140.00	29-09-23	140.40	0.21%	(3.01%)	2.11%	10.90%	(4.96%)	12.66%
9.	HMA Agro Industries Limited	480.00	585	04-07-23	615.00	1.60%	(0.36%)	28.88%	0.53%	43.59%	10.33%
10.	CFE Fluid Control Limited	85.80	165.00	12-06-23	175.00	61.79%	4.26%	378.48%	6.18%	161.82%	11.32%

Summary Statement of Disclosure

Financial Year	Total no. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPOs trading at discount - 30 th calendar day from listing day			Nos. of IPOs trading at premium - 30 th calendar day from listing day			Nos. of IPOs trading at discount - 180 th calendar day from listing day			Nos. of IPOs trading at premium - 180 th calendar day from listing day		
			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%
2024-25	4	469.62	0	1	0	0	0	2	0	0	0	0	0	2
2023-24	6	626.02	0	0	1	1	0	4	0	1	1	2	1	1
2022-23	6	445.79	0	0	2	3	0	1	0	0	2	3	0	1

Notes:

- (1) Since the listing date of Indo Farm Equipment Limited was on January 07, 2025 information related to closing price and benchmark index as on the 30th, 90th and 180th calendar day from the listing date is not applicable.
- (2) Since the listing date of Khyati Global Ventures Limited was on October 11, 2024 information related to closing price and benchmark index as on the 180th calendar day from the listing date is not applicable.
- (3) As on the 180th calendar day from the listing day, the price of HMA Agro Industries Limited is Rs.84, considering the corporate announcement i.e. Stock Split of Share from face value Equity Shares of ₹10 each to ₹1/- each. Actual price as on 180th calendar day would have being ₹840.
- (4) The respective Designated Stock Exchange for each Issue has been considered as the Benchmark index for each of the above Issues.
- (5) In the event any day falls on a holiday, the price/index of the immediate preceding working day has been considered. If the stock was not traded on the said calendar days from the date of listing, the share price is taken of the immediately preceding trading day.
- (6) Source: www.bseindia.com and www.nseindia.com BSE Sensex and Nifty Fifty as the Benchmark Indices.

STOCK MARKET DATA FOR OUR EQUITY SHARES

This being an initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any Stock Exchanges.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Registrar Agreement provides for the retention of records with the Registrar to the Issue for a minimum period of three years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, subject to agreement with our Company for storage of such records for longer period, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

In terms of SEBI Master Circular, 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, SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2021 and SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs at the rate higher of ₹100 per day or 15% per annum of the application amount in the events of delayed or withdrawal of applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially allotted applications for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the Book Running Lead Manager shall compensate the investors at the rate higher of ₹100 per day or 15% per annum of the application amount.

SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days). 'T' being issue closing date. In partial modification to circulars dated March 16, 2021 and April 20, 2022, the compensation to investors for delay in unblocking of ASBA application monies (if any) shall be computed from T+3 day. The provisions of this circular shall be applicable, on voluntary basis for public issues opening on or after September 1, 2023 and on mandatory basis for public issues opening on or after December 1, 2023. Our Company shall follow the timeline prescribed under the SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023. The timelines prescribed for public issues as mentioned in SEBI circulars dated November 1, 2018, June 28, 2019, November 8, 2019, March 30, 2020, March 16, 2021, June 2, 2021, and April 20, 2022 shall stand modified to the extent stated in this Circular.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, Bid application number, number of Equity Shares Bid for, amount paid on Bid 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 Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate (in Specified Cities) or the Sponsor Bank, as the case may be, where the Application Form was submitted by the ASBA Bidder or through UPI Mechanism, giving full details such as name, address of the Bidder, Bid application number, UPI Id, number of Equity Shares applied for, amount blocked on application and designated branch or the collection center of the SCSBs or the member of the Syndicate (in Specified Cities), as the case may be, where the Application Form was submitted by the ASBA Bidder or Sponsor Bank.

Our Company has obtained authentication on the SCORES in terms of SEBI circular no. CIR/OIAE/1/2013 dated April 17, 2013 and complied with the SEBI circular (CIR/OIAE/1/2014/CIR/OIAE/1/2013) dated December 18, 2014 in relation to redressal of investor grievances through SCORES. Our Company has not received any complaints as on the date of this Prospectus.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the SCSB (in case of ASBA Bidders) or Sponsor Bank (in case of UPI Mechanism) or for redressal of routine investor grievances including through SEBI Complaint Redress System (SCORES) shall be 10 Working Days from the date of receipt of

the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted Stakeholders Relationship Committee as follows:

Name of the Director	Designation in the Committee	Nature of Directorship
Rakesh Kakkar	Non-Executive Independent Director	Chairman
Bhawna Hundlani	Non-Executive Independent Director	Member
Sunil Gandhi	Whole Time Director and CEO	Member

Our Company has appointed Sonal Jhanwar, the Company Secretary and Compliance Officer, who may be contacted in case of any pre-issue or post-issue related problems at the following address:

Plot-18, Sector-140, Phase-2, Nepz Post Office,
Gautam Buddha Nagar, Dadri, 201305,
Uttar Pradesh, India.

Telephone: +91 75799 06940

E-mail: ipo@clnenergy.in

Till date of this Prospectus, our Company has not received any investor complaint and no complaints is pending for resolution.

Investors can contact the Compliance Officer or the Registrar to the Issue or the Book Running 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 accounts and refund orders.

STATUS OF INVESTOR COMPLAINTS

We confirm that we have not received any investor complaint during the three years preceding the date of this Prospectus and hence there are no pending investor complaints as on the date of this Prospectus.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

OTHER CONFIRMATIONS

Any person connected with the Issue shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any person for making an application in the initial public offer, except for fees or commission for services rendered in relation to the Issue.

PREVIOUS ISSUES OF EQUITY SHARES OTHERWISE THAN FOR CASH

Except as stated in the chapter titled “*Capital Structure*” beginning on page no. 62 of this Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

LISTED VENTURES OF PROMOTERS

There are no listed ventures of our Company or of our Promoters as on date of filing of this Prospectus.

OUTSTANDING DEBENTURES OR BONDS AND REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS

There are no outstanding debentures or bonds or redeemable preference shares and other instruments issued by the Company as on the date of this Prospectus.

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

Our Company has not applied or received any exemptions from SEBI from complying with any provisions of securities laws.

SECTION X – ISSUE INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued pursuant to this issue shall be subject to the provision of the Companies Act, SEBI (ICDR) Regulations, 2018, SCRA, SCRR, Memorandum and Articles, the terms of this Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note ('CAN') 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 laws, guidelines, rules, notifications, and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, the Government of India, BSE, RoC, RBI and / or other authorities, as in force on the date of the Issue and to the extent applicable.

Please note that, in accordance with the Regulation 256 of the SEBI (ICDR), Regulations, 2018 read with SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process. As an alternate payment mechanism, Unified Payments Interface (UPI) has been introduced (vide SEBI Circular Ref: SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018) as a payment mechanism in a phased manner with ASBA for applications in public Issues by retail individual investors through intermediaries (Syndicate members, Registered Stock-Brokers, Registrar and Transfer agent and Depository Participants).

Further, vide the said circular, Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.

Authority for the Issue

The present Public Issue of upto 28,92,000 Equity Shares which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on June 20, 2024 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra-Ordinary General Meeting held on June 22, 2024 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013.

Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank *pari-passu* in all respects with the existing Equity Shares of our Company including in respect of the right to receive 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 Articles of Association*” beginning on Page No. 283 of the Prospectus.

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and recommended 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 dividends in cash and as per provisions of the Companies Act. For further details, please refer to chapter titled “*Dividend Policy*” beginning on Page No. 167 of the Prospectus.

Face Value, Issue Price, Floor Price and Price Band

The face value of each Equity Share is ₹ 10/- and the Issue Price at the lower end of the Price Band is ₹ 235 per Equity Share (“**Floor Price**”) and at the higher end of the Price Band is ₹ 250 per Equity Share (“**Cap Price**”).

The Price Band and the minimum Bid Lot will be decided by our Company in consultation with the BRLM and advertised in Business Standard editions of Uttar Pradesh (a widely circulated English national daily newspaper), Business Standard editions of Uttar Pradesh (a widely circulated Hindi national daily newspaper) and Hindi editions of Business Standard (a Hindi language newspaper with wide circulation, Hindi being the regional language of Uttar Pradesh, where our Registered Office is located), each with wide circulation, at least two Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchange for the purpose of uploading on its websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the website of the Stock Exchange. The Issue Price shall be determined by our Company in consultation with the BRLM, after the Bid/Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point of time, there shall be only one denomination of Equity Shares.

The Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager and is justified under the chapter titled “*Basis of Issue Price*” beginning on page 80 of this Prospectus.

Compliance with SEBI (ICDR) Regulations

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018. 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 & 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;
- Right to receive offer 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; and
- Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2018 and the Memorandum and Articles of Association of our Company.

Minimum Application Value, Market Lot and Trading Lot

In accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 1,00,000/- (Rupees One Lakh) per application.

Pursuant to Section 29 of the Companies Act, the Equity Shares shall be allotted only in dematerialised form. As per SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements will be signed by our Company with the respective Depositories and the Registrar to the Issue before filing this Prospectus:

- Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated May 15, 2024.
- Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated June 24, 2024

As per the provisions of the Depositories Act, 1996 & regulations made there under and Section 29 (1) of the Companies Act, 2013, the equity shares of an issuer shall be in dematerialized form i.e. not in the form of physical certificates, but be fungible and be represented by the statement issued through electronic mode. The trading of the Equity Shares will happen in the minimum contract size of 600 Equity Shares and the same may be modified by the BSE Limited 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 600 Equity Shares subject to a minimum allotment of 600 Equity Shares to the successful Applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Minimum Number of Allottees

The minimum number of allottees in the Issue shall be 50 shareholders. In case, the number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked forthwith.

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.

Jurisdiction

Exclusive Jurisdiction for the purpose of this Issue is with the competent courts/authorities in India.

The Equity Share 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 or to, or for the account or benefit of, —U.S. personal (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being issued and sold only outside the United States in off-shore transactions in reliance on Regulation S under the U.S. 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.

Nomination Facility to Investor

In accordance with Section 72 of the Companies Act, 2013, the sole or first 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 Agent of our Company.

In accordance with Section 72 of the Companies Act, 2013, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, 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, the Board 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 (ninety) days, the Board 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 is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for the lock-in of the pre-Issue capital of our Company, Promoter's minimum contribution as provided under the chapter titled "*Capital Structure*" on page 62 of this Prospectus and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, please refer chapter titled "*Main Provisions of Articles of Association*" on page 283 of this 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 Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated herein above. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the 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.

Withdrawal of the Issue

Our Company in consultation with the BRLM, 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 newspapers in which the pre-Issue advertisements were published, within two (2) 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 Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one (1) Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company in consultation with BRLM withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an issue/issue for sale of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with Stock Exchange.

ISSUE PROGRAM

Events	Indicative Dates
Bid/Issue Opening Date*	Thursday, January 23, 2025
Bid/Issue Closing Date**^	Monday, January 27, 2025
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before Tuesday, January 28, 2025
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or before Wednesday, January 29, 2025
Credit of Equity Shares to Demat accounts of Allottees	On or before Wednesday, January 29, 2025
Commencement of trading of the Equity Shares on the Stock Exchange	On or before Thursday, January 30, 2025

*The Company may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.

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

^ UPI mandate end time and date shall be at 5:00 pm on the Bid/Issue Closing Date.

#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 Bid/Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100/- per day for the entire duration of delay exceeding four Working Days from the Bid/Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. For the avoidance of doubt, the provisions of the SEBI circular dated March 16, 2021, as amended pursuant to SEBI circular dated June 2, 2021 shall be deemed to be incorporated in the agreements to be entered into by and between the Company and the relevant intermediaries, to the extent applicable.

The above timetable, other than the Bid/Issue Closing Date, is indicative and does not constitute any obligation on our Company the BRLM.

While 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 3 Working Days of the Bid/Offer Closing Date, the timetable may change due to various factors, such as extension of the Bid/ Offer 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. SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days); 'T' being issue closing date. The provisions of this circular were applicable, on voluntary basis for public issues opening on or after September 1, 2023 and on mandatory basis for public issues opening on or after December 1, 2023. Our Company shall follow the timelines provided under the aforementioned circular.

Any circulars or notifications from the SEBI after the date of the Prospectus may result in changes to the above-mentioned timelines. Further, the Offer procedure is subject to change to any revised circulars issued by the SEBI to this effect.

The BRLM will be required to submit reports of compliance with listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

In terms of the UPI Circulars, in relation to the Issue, the BRLM will submit report of compliance with T+3 listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Submission of Bids

Bid/Issue Period (except the Bid/Issue Closing Date)

Submission and Revision in Bids: Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("IST"))

Bid/Issue Closing Date

Submission and Revision in Bids: Only between 10.00 a.m. and 3.00 p.m. IST

On the Bid/Issue Closing Date, the Bids shall be uploaded until:

- i. 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- ii. Until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange, in case of Bids by Retail Individual Bidders.

On the Bid/Issue Closing Date, extension of time will be granted by the Stock Exchange only for uploading Bids received from Retail Individual Bidders after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchange.

The Registrar to the Issue shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/ Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members, if any shall preferably be allowed only once per Bid/batch and as deemed fit by the Stock Exchange, after closure of the time for uploading Bids.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date. Any time mentioned in this Prospectus is Indian Standard Time. Bidders are cautioned that, in the event, large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will be accepted only during Monday to Friday (excluding any public holiday). None among our Company or any Member of the Syndicate shall be liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or blocking of application amount by the SCSBs on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

In case of any discrepancy in the data entered in the electronic book *vis-a-vis* data contained in the physical Bid cum Application Form, for a particular Bidder, the details of the Bid file received from the Stock Exchanges may be taken. Our Company in consultation with the BRLM, reserve the right to revise the Price Band during the Bid/Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

In case of any revision to the Price Band, the Bid/Issue Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/Issue Period not exceeding a total of 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid/Issue Period for a minimum of one Working Day, subject to the Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a public notice, and also by indicating the change on the respective websites of the BRLM and the terminals of the Syndicate Members, if any and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank, as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.

Minimum Subscription

This Issue is not restricted to any minimum subscription level and is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the —stated minimum amount has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond four days

after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

In accordance with Regulation 260 of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the issue through the Prospectus and shall not be restricted to the minimum subscription level.

Further, in accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 50 (Fifty).

Further, in accordance with Regulation 267(2) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than ₹ 1,00,000 (Rupees One Lac only) per application.

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.

Migration to Main Board

Parameter	Migration policy from SME Platform BSE to BSE Main Board
Paid up Capital & Market Capitalisation	Paid-up capital of more than 10 Crores and Market Capitalisation should be minimum Rs. 25 Crores (Market Capitalisation will be the product of the price (average of the weekly high and low of the closing price of the related shares quoted on the stock exchange during 3 (Three) months prior to the date of the application) and the post issue number of equity shares.)
Promoter holding	Promoter(s) shall be holding at least 20% of equity share capital of the company at the time of making application.
Financial Parameters	<ul style="list-style-type: none"> The applicant company should have positive operating profit (earnings before interest, depreciation and tax) from operations for at least any 2 out of 3 financial years and has positive Profit after tax (PAT) in the immediate preceding Financial Year of making the migration application to Exchange. The applicant company should have a Net worth of at least Rs. 15 crores for 2 preceding full financial years.
Track record of the company in terms of listing/ regulatory actions, etc	The applicant company is listed on SME Exchange/ Platform having nationwide terminals for atleast 3 years.
Regulatory action	<ul style="list-style-type: none"> No material regulatory action in the past 3 years like suspension of trading against the applicant company, promoters/promoter group by any stock Exchange having nationwide trading terminals. No Debarment of company, promoters/promoter group, subsidiary company by SEBI. No Disqualification/Debarment of directors of the company by any regulatory authority. The applicant company has not received any winding up petition admitted by a NCLT.
Public Shareholder	The applicant company shall have a minimum of 250 public shareholders as per the latest shareholding pattern.
Other parameters like No. of shareholders, utilization of funds	<ul style="list-style-type: none"> No proceedings have been admitted under the Insolvency and Bankruptcy Code against the applicant company and Promoting companies. No pending Defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders by the applicant, promoters/promoter group /promoting company(ies), Subsidiary

Parameter	Migration policy from SME Platform BSE to BSE Main Board
	<p>Companies.</p> <ul style="list-style-type: none"> • The applicant company shall obtain a certificate from a credit rating agency registered with SEBI with respect to utilization of funds as per the stated objective pursuant to IPO and/or further funds raised by the company, if any post listing on SME platform. • The applicant company has no pending investor complaints. • Cooling off period of 2 months from the date the security has come out of trade-to-trade category or any other surveillance action.

Note:

1. Net worth definition to be considered as per definition in SEBI ICDR.
2. Company is required to submit Information Memorandum to the Exchange as prescribed in SEBI (ICDR) Regulations.
3. The application submitted to the Exchange for listing and mere fulfilling the eligibility criteria does not amount to grant of approval for listing.
4. If the documents and clarification received from the applicant company are not to the satisfaction of BSE, BSE has the right to close the application at any point of time without giving any reason thereof. Thereafter, the company can make fresh application as per the extant norms.
5. The Exchange may reject application at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Guidelines / Regulations issued by statutory authorities or for any reason in the interest of Investors and market integrity. The Exchange may also reject the application if the company is found not fulfilling internal BSE standards.
6. Companies that have approached for listing on any stock exchange and has been denied listing for any reason whatsoever or has chosen to withdraw its application from the Exchange, they may reapply for listing after a minimum period of 6 months (6 months after date of rejection/ withdrawal). If rejected for a second time, the company would not be eligible to apply again.
7. BSE decision w.r.t admission of securities for listing and trading is final.
8. BSE has the right to change / modify / delete any or all the above norms without giving any prior intimation to the company.
9. The companies are required to submit documents and comply with the extant norms.
10. The company shall use BSE's reference regarding listing only after the Exchange grants its in-principle listing approval to the company.

Market Making

The shares issued and transferred through this Issue are proposed to be listed on the SME Platform of BSE Limited with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on the SME Platform of BSE Limited. For further details of the market making arrangement please refer to chapter titled “*General Information*” beginning on page 50 of this Prospectus.

Arrangements for disposal of odd lots

The trading of the Equity Shares will happen in the minimum contract size of 600 shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, 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.

Restrictions, if any, 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 Promoter's minimum contribution in the Issue as detailed in the chapter “*Capital Structure*” beginning on page 62 of this Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. 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 Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the 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.

Application by Eligible NRIs, FPIs or VCFs registered with SEBI

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF 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.

Option to receive securities in Dematerialized Form

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

Further, it is mandatory for the investor to furnish the details of his/her depository account, & if for any reason, details of the account are incomplete or incorrect the application shall be treated as incomplete & may be rejected by the Company without any prior notice.

New Financial Instruments

There are no new financial instruments such as deep discounted bonds, debentures, warrants, secured premium notes, etc. issued by our Company.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up capital will be ₹ 1,055.33 lakhs, shall issue equity shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the SME Platform of BSE Limited). For further details regarding the salient features and terms of such an issue, please refer chapter titled “*Terms of Issue*” and “*Issue Procedure*” on page no. 241 and 249 respectively of this Prospectus.

This public issue comprises of 28,92,000 equity shares of face value of ₹10/- each for cash at a price of ₹ 250/- per equity share including a share premium of ₹ 240/- per equity share (the “Issue Price”) aggregating to ₹7,230.00 lakhs (“the Issue”) by our Company. The Issue and the Net Issue will constitute 27.40% and 25.93% respectively of the post issue paid up Equity Share Capital of the Company.

This Issue is being made by way of Book Building Process:

Particulars of the Issue (²)	Market Maker Reservation Portion	QIBs	Non-Institutional Applicants	Retail Individual Investors
Number of Equity Shares available for allocation	1,56,000 Equity Shares	13,68,000 Equity Shares.	4,10,400 Equity Shares	9,57,600 Equity Shares
Percentage of Issue size available for allocation	5.39% of the issue size	Not more than 50% of the Net Issue was made available for allocation to QIB Bidders. However, upto 5% of the Net QIB Portion was made available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion Upto 60.00% of the QIB Portion was made available for allocation to Anchor Investors and one third of the Anchor Investors Portion shall be available for allocation to domestic mutual funds only.	15% of the Net Issue	35% of the Net Issue
Basis of Allotment(3)	Firm Allotment	Proportionate as follows: (excluding Anchor Investor Portion) a) 27,360 Equity Shares was made available for allocation on a proportionate basis to Mutual Funds only; and	Proportionate	Proportionate

Particulars of the Issue ⁽²⁾	Market Maker Reservation Portion	QIBs	Non-Institutional Applicants	Retail Individual Investors
		<p>b) 5,47,200 Equity Shares was made available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above.</p> <p>8,20,800 Equity Shares was made allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only</p>		
Mode of Bid	Only through the ASBA Process	Only through the ASBA process.	Through ASBA Process through banks or by using UPI ID for payment	Through ASBA Process through banks or by using UPI ID for payment
Mode of Allotment	Compulsorily in dematerialized form			
Minimum Bid Size	Such number of Equity Shares in multiple of 600 Equityshares	Such number of Equity Shares and in multiples of 600 Equity Shares that the Bid Amount exceeds ₹ 200,000	Such number of Equity Shares in multiples of 600 Equity Shares that Bid size exceeds ₹ 200,000	Such number of Equity Shares in multiple of 600 Equity shares so that the Bid Amount does not exceed ₹ 2,00,000
Maximum Bid Size	Such number of Equity Shares	Such number of Equity Shares in multiples of 600 Equity Shares not exceeding the size of the Net Issue, subject to applicable limits	Such number of Equity Shares in multiples of 600 Equity Shares not exceeding the size of the issue (excluding the QIB portion), subject to limits as applicable to the Bidder	Such number of Equity Shares in multiples of 600 Equity Shares so that the Bid Amount does not exceed ₹ 2,00,000
Trading Lot	Such number of Equity Shares, however, the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations	Such number of Equity Shares and in multiples thereof	Such number of Equity Shares and in multiples thereof	Such number of Equity Shares
Terms of Payment	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder or by the Sponsor Bank through the UPI Mechanism that is specified in the ASBA Form at the time of submission of the ASBA Form.			

Particulars of the Issue ⁽²⁾	Market Maker Reservation Portion	QIBs	Non-Institutional Applicants	Retail Individual Investors
Mode of Bid	Only through the ASBA process (excluding the UPI Mechanism).	Only through the ASBA process (excluding the UPI Mechanism).	Only through the ASBA process (including the UPI Mechanism for a Bid size of upto ₹ 500,000)	Only through the ASBA process (including the UPI Mechanism)

- (1) This issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.
- (2) In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018, this is an issue for at least 25% of the post issue paid-up Equity share capital of the Company. This issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 253 of the SEBI (ICDR) Regulations.
- (3) Subject to valid Bids being received at or above the issue price, 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 combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.
- (4) Our Company, in consultation with the BRLM may allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI (ICDR) Regulations, 2018, as amended. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Price.
- (5) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN. For further details please refer to the section titled “*Issue Procedure*” beginning on page 253 of the Prospectus

Withdrawal of the Issue

In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Book Running Lead Manager, reserves the right to not to proceed with the Issue at any time before the Bid/Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Bid/ Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in Business Standard editions of Uttar Pradesh (a widely circulated English national daily newspaper), Business Standard editions of Uttar Pradesh (a widely circulated Hindi national daily newspaper) and Hindi editions of Business Standard (a Hindi language newspaper with wide circulation, Hindi being the regional language of Uttar Pradesh, where our Registered Office is located), each with wide circulation.

The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one 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 Bid/ Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Draft Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approval of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the registration of Prospectus with RoC.

JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities at Mumbai

BID/ ISSUE PROGRAMME:

Events	Indicative Dates
Bid/Issue Opening Date*	Thursday, January 23, 2025
Bid/Issue Closing Date**^	Monday, January 27, 2025
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before Tuesday, January 28, 2025
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or before Wednesday, January 29, 2025

Credit of Equity Shares to Demat accounts of Allottees	On or before Wednesday, January 29, 2025
Commencement of trading of the Equity Shares on the Stock Exchange	On or before Thursday, January 30, 2025

**The Company may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.*

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

^ UPI mandate end time and date shall be at 5:00 pm on the Bid/Issue Closing Date.

#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 Bid/Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100/- per day for the entire duration of delay exceeding four Working Days from the Bid/Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. For the avoidance of doubt, the provisions of the SEBI circular dated March 16, 2021, as amended pursuant to SEBI circular dated June 2, 2021 shall be deemed to be incorporated in the agreements to be entered into by and between the Company and the relevant intermediaries, to the extent applicable.

Bids and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Bidding Centers mentioned in the Bid cum Application Form.

Standardization of cut-off time for uploading of bids on the Bid/Issue closing date:

- i. A standard cut-off time of 3.00 p.m. for acceptance of bids.
- ii. A standard cut-off time of 4.00 p.m. for uploading of bids received from other than retail individual applicants.
- iii. A standard cut-off time of 5.00 p.m. for uploading of bids received from only retail individual applicants, which may be extended upto such time as deemed fit by BSE Limited after taking into account the total number of bids received upto the closure of timings and reported by BRLM to BSE Limited within half an hour of such closure.

It is clarified that Bids not uploaded in the book, would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular bidder, the details as per physical bid cum application form of that Bidder may be taken as the final data for the purpose of allotment.

Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 had reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days); 'T' being issue closing date. The provisions of this circular were applicable, on voluntary basis for public issues opening on or after September 1, 2023 and on mandatory basis for public issues opening on or after December 1, 2023. Our Company shall close this Issue in accordance with the timeline provided under the aforementioned circular.

ISSUE PROCEDURE

All Bidders shall review 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 notified by SEBI, suitably modified from time to time, if any, and the UPI Circulars (“General Information Document”), highlighting the key rules, procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, and the SEBI Regulations.

The General Information Documents will be updated to reflect the enactments and regulations including the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI Listing Regulations and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document will also be available on the websites of the Stock Exchange and the Lead Manager, before opening of the Issue. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 effective to public issues opening on or after from May 01, 2021. However, said circular has been modified pursuant to SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in which certain applicable procedure w.r.t. SMS Alerts, Web portal to CUG etc shall be applicable to Public Issue opening on or after January 1, 2022 and October 1, 2021 respectively.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) Category of investor eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) Allocation of shares; (iii) Payment Instructions for ASBA Bidders; (iv) Issuance of CAN and Allotment in the Offer; (v) General instructions (limited to instructions for completing the Application Form); (vi) Submission of Application Form; (vii) Other Instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (viii) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (vi) mode of making refunds; and (vii) interest in case of delay in Allotment or refund.

SEBI vide 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, had 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.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds was discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”) and this phase was to continue till March 31, 2020 and post which reduced timeline from T+6 days to T+3 days was to be made effective using the UPI Mechanism for applications by RIBs. The final reduced timeline of T+3 days for the UPI Mechanism for applications by UPI Bidders (“UPI Phase III”), and modalities of the implementation of UPI Phase III was notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023 (“T+3 SEBI Circular”). The Issue will be undertaken pursuant to the processes and procedures under UPI Phase III, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its 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 circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular shall come into force for initial public offers opening on/or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and the provisions of this circular, are deemed to form part of this Prospectus. SEBI, vide the SEBI RTA Master Circular, consolidated the aforementioned circulars to the extent relevant for RTAs, and rescinded these circulars. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application size are upto ₹5 lakhs shall use the UPI Mechanism. Subsequently, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the

ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories). These circulars are effective for initial public offers opening on/or after May 1, 2021, and the provisions of these circulars, as amended, are deemed to form part of this Prospectus.

In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI RTA Master Circular, shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead manager shall continue to coordinate with intermediaries involved in the said process.

BOOK BUILDING PROCEDURE:

This Issue is being made in terms of Rule 19(2)(b) of the SCRR, through the Book Building Process in accordance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 50.00% of the Issue shall be allocated on a proportionate basis to QIBs, allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. Further, 5.00% of the QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15.00% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35.00% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

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 combination of categories of Bidders at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Issue Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchange.

Investors should note that the Equity Shares will be allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, the PAN and UPI ID, for RIBs Bidding in the Retail Portion using the UPI Mechanism, shall be treated as incomplete and will be rejected. Bidders will not have the option of being allotted Equity Shares in physical form. However, they may get their Equity Shares rematerialized subsequent to allotment of the Equity Shares in the Issue, subject to applicable laws.

AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS

The Memorandum containing the salient features of the Prospectus together with the Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the Lead Manager to the Issue, Registrar to the Issue as mentioned in the Application form. The application forms may also be downloaded from the website of BSE Limited i.e. <https://www.bseindia.com> Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Prospectus. All the applicants shall have to apply only through the ASBA process. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSBs authorizing blocking of funds that are available in the bank account specified in the Application Form. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Prospectus. The Application Form shall contain space for indicating number of specified securities subscribed for in demat form.

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, UPI 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 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 upto three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the UPI Circulars proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

- a) Phase I: This phase was applicable from January 01, 2019 and lasted till June 30, 2019. Under this phase, a Retail Individual Bidder, besides the modes of bidding available prior to the UPI Circulars, also had the option to submit the Bid cum 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.

- b) Phase II: This phase has commenced with effect from July 01, 2019 and will continue for a period of three months or floating of five main board public issues, whichever is later. Under this phase, submission of the Bid cum Application Form by a Retail Individual Investor through intermediaries to SCSBs for blocking of funds has been discontinued and has been replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase. SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice.
- c) Phase III/T+3: This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023 vide T+3 Press Release. In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Issue shall be undertaken pursuant to the processes and procedures as notified in the T+3 Press Release as applicable, subject to any circulars, clarification or notification issued by SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

Pursuant to the UPI Circular, 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 Circular 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 Bidders to be unblocked not later than one day from the date on which the Basis of Allotment is finalized. 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 in this regard, the relevant SCSB as well as the post – Issue BRLM will be required to compensate the concerned investor.

All SCSBs offering the facility of making applications in public issues shall also provide the facility to make application using UPI. The Company will be required to appoint one of the SCSBs as a Sponsor Bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and/ or payment instructions of the Retail Individual Bidders using the UPI.

The processing fees for applications made by Retail Individual Bidders 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 2, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

For further details, refer to the “General Information Document” available on the websites of the Stock Exchange and the BRLM.

Bid cum Application Form

Copies of the Bid cum Application Form and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres, and our Registered and Corporate Office. An electronic copy of the Bid cum Application Form will also be available for download on the website of BSE of India Limited (<https://www.bseindia.com>) at least one day prior to the Bid/Issue Opening Date.

All Bidders shall mandatorily participate in the Issue only through the ASBA process. The RIs Bidding in the Retail Portion can additionally Bid through the UPI Mechanism.

RIBs Bidding in the Retail Portion using the UPI Mechanism must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected.

ASBA Bidders (other than RIBs using UPI Mechanism) must provide bank account details and authorization to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. RIBs Bidding in the Retail Portion using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorizing an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable at the time of submitting the Bid.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour of Application Form*
Anchor Investor**	White
Resident Indians, including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including Eligible NRIs, FII's, FVCIs etc. applying on a repatriation basis	Blue

Note: Electronic Bid Cum Application Forms will also be available for download on the website of the BSE Limited (<https://www.bseindia.com>).

** Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by RIIs (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 Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Bidders shall only use the specified Bid Cum Application Form for making an Application in terms of the Prospectus.

The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders 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.

An Investor, intending to subscribe to this Issue, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – Designated Intermediaries”)

Sr. No.	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)

Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as "Intermediaries"), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.

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 Bid Cum 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:

For Applications submitted by Investors to SCSB:	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 begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs:	After accepting the Bid Cum Application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the Bid Cum Application Forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:	After accepting the Bid Cum 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.
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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 Bid Cum Application Form to Application Collecting intermediaries, the Bidders 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 Bidders.

For RIBs using UPI Mechanism, the Stock Exchange shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIBs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. For all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/ Issue Closing Date ("Cut- Off Time"). Accordingly, RIBs should accept UPI Mandate Requests for blocking off funds prior to the Cut- Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchange bidding platform, and the liability to compensate RIBs (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the bankers to an 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 BRLM shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Issue for analysing the same and fixing liability.

WHO CAN BID?

Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the RHP for more details.

Subject to the above, an illustrative list of Bidders is as follows:

- 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 Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: —Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. 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 Bidder '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 Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.

MAXIMUM AND MINIMUM APPLICATION SIZE

1. For Retail Individual Bidders

The Application must be for a minimum of 600 Equity Shares and in multiples of 600 Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder does not exceed ₹ 2,00,000. In case of revision of Applications, the Retail Individual Bidders have to ensure that the Application Price does not exceed ₹ 2,00,000.

2. For Other than Retail Individual Bidders (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹ 2,00,000 and in multiples of 600 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 Bidder

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 Bidders, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Bidders 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 Prospectus.

The above information is given for the benefit of the Bidders. The Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Bidders 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.

METHOD OF BIDDING PROCESS

Our Company, in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Issue and the same shall be advertised in Business Standard editions of Uttar Pradesh (a widely circulated English national daily newspaper), Business Standard editions of Uttar Pradesh (a widely circulated Hindi national daily newspaper) and Hindi editions of Business Standard (a Hindi language newspaper with wide circulation, Hindi being the regional language of Uttar Pradesh, where our Registered Office is located) each with wide circulation at least two Working Days prior to the Bid / Issue Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid / Issue Period.

- a) The Bid / Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid/ Issue Period maybe extended, if required, by an additional three Working Days, subject to the total Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Issue Period, if applicable, which shall be notified in all editions of English national daily newspaper, Business Standard, all editions of Hindi national daily newspaper, Business Standard a (Hindi being the regional language of Uttar Pradesh, where our Registered Office is located). Each with wide circulation and also by indicating the change on the website of the Book Running Lead Manager.
- b) Each Bid cum Application Form will give the Bidder the choice to Bid for upto three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- c) The Bidder / Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLM or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “Buildup of the Book and Revision of Bids”.
- d) The BRLM/the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive upto three TRSs for each Bid cum Application Form.
- e) Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form, prior to uploading such Bids with the Stock Exchange.
- f) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.
- g) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.

- h) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Bid cum 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 SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders 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.

BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS

- a. Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
- b. Our Company in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
- c. The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at the Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.
- d. Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.

Participation by Associates /Affiliates of BRLM and the Syndicate Members

The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Category or in the Non- Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Option to Subscribe in the Issue

- a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

Information for the Bidders:

1. Our Company and the Book Running Lead Manager shall declare the Issue Opening Date and Issue Closing Date in the Prospectus to be registered with the RoC and also publish the same in all editions of English national daily newspaper, Business Standard, all editions of Hindi national daily newspaper, Business Standard, a (Hindi being the regional language of Uttar Pradesh, where our Registered Office is located), where our Registered Office is located) each with wide circulation. This advertisement shall be in prescribed format.
2. Our Company will file the Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.
3. Copies of the Bid Cum Application Form along with Abridge Prospectus and copies of the Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.
4. Any Bidder who would like to obtain the Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.

5. Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Retail Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.
8. Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.
10. The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

BIDS BY HUFs

Bids by Hindu Undivided Families or HUFs should be made in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids/Applications by HUFs will be considered at par with Bids/Applications from individuals.

BIDS BY MUTUAL FUNDS

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10.00% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10.00% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10.00% of any company's paid-up share capital carrying voting rights.

BIDS BY ELIGIBLE NRIS

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB

(if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non-Resident External (“NRE”) accounts, or Foreign Currency Non-Resident (“FCNR”) Accounts, and eligible NRI Bidders bidding on a non- repatriation basis by using Resident Forms should authorize their SCSB (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non-Resident Ordinary (“NRO”) accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Participation of Eligible NRIs in the Issue shall be subject to the FEMA Rules.

In accordance with the Consolidated FDI Policy, the total holding by any individual NRI, on a repatriation or non-repatriation basis, shall not exceed 5.00% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5.00% 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, on a repatriation or non- repatriation basis, 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 10.00% may be raised to 24.00% if a special resolution to that effect is passed by the general body of the Indian company.

NRIs will be permitted to apply in the Issue through Channel I or Channel II (as specified in the UPI Circular). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circular) to apply in the Issue, provided the UPI facility is enabled for their NRE/ NRO accounts.

NRIs applying in the Issue using UPI Mechanism are advised to enquire with the relevant bank whether their bank account is UPI linked prior to making such application. For details of investment by NRIs, see “*Restrictions on Foreign Ownership of Indian Securities*” beginning on page 281. Participation of eligible NRIs shall be subject to FEMA NDI Rules.

BIDS BY FPIS

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) must be below 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA NDI Rules, with effect from April 1, 2020, the aggregate FPI investment limit is the sectoral cap applicable to an Indian company as prescribed in the FEMA NDI Rules with respect to its paid-up equity capital on a fully diluted basis. Currently, the sectoral cap for retail trading of food products manufactured and/ or produced in India is 100% under automatic route.

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. 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 Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non-Residents.

In terms of the FEMA, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

The FEMA NDI Rules were enacted on October 17, 2019 in supersession of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, except as respects things done or omitted to be done before such supersession. **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.

An FPI issuing off-shore derivative instruments is also required to ensure that any transfer of off-shore derivative instruments issued by, or on behalf of it subject to, inter alia, the following conditions:

- (i). such offshore derivative instruments are transferred to person subject to fulfilment of SEBI FPI Regulations; and
- (ii). Prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative

instruments are to be transferred are pre-approved by the FPI.

Bids by FPIs which finalized the multi-investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of the SEBI FPI Regulations (“Operational FPI Guidelines”), submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids (“MIM Bids”). It is hereby clarified that FPIs bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected, except for Bids from FPIs that finalized the multi-investment manager structure in accordance with the Operational FPI Guidelines (such structure referred to as “MIM Structure”). In order to ensure valid Bids, FPIs making MIM Bids using the same PAN and with different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM Structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected.

BIDS BY SEBI-REGISTERED AIFS, VCFs AND FVCIS

The SEBI FVCI Regulations, SEBI VCF Regulations and the SEBI AIF Regulations prescribe, inter alia, the investment restrictions on the FVCIs, VCFs and AIFs registered with SEBI respectively. FVCIs can invest only upto 33.33% of the investible funds by way of subscription to an initial public offering. Category I AIF and Category II AIF cannot invest more than 25% of the investible funds in one Investee Company directly or through investment in the units of other AIFs. A Category III AIF cannot invest more than 10% of the investible funds in one Investee Company directly or through investment in the units of other AIFs. AIFs which are authorized under the fund documents to invest in units of AIFs are prohibited from offering their units for subscription to other AIFs. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, a VCF that has not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations (and accordingly shall not be allowed to participate in the Issue) 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.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding Equity Shares prior to Issue, shall be locked-in for a period of at least one year from the date of purchase of such Equity Shares.

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.

The Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

BIDS BY LIMITED LIABILITY PARTNERSHIPS

In case of Bids 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 Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

BIDS BY BANKING COMPANIES

In case of Bids 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 Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof. The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended and Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended, is 10.00% of the paid up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10.00% of the bank’s 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, subject to prior approval of the RBI if (i) the investee company is engaged in non-financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act; or (ii) the additional acquisition is through restructuring of debt, or to protect the banking company’s interest on loans/investments made to a company. The bank is required to submit a time bound action plan to the RBI for the disposal of such shares within a specified period. The aggregate investment by a banking company along with its

subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank; and mutual funds managed by asset management companies controlled by the bank, more than 20% of the investee company's paid up share capital engaged in non-financial services. However, this cap doesn't apply to the cases mentioned in (i) and (ii) above. The aggregate equity investments made by a banking company in all subsidiaries and other entities engaged in financial services and non-financial services, including overseas investments shall not exceed 20% of the bank's paid-up share capital and reserves.

In terms of the Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended (i) a bank's investment in the capital instruments issued by banking, financial and insurance entities should not exceed 10% of its capital funds; (ii) banks should not acquire any fresh stake in a bank's equity shares, if by such acquisition, the investing bank's holding exceeds 5% of the investee bank's equity capital; (iii) equity investment by a bank in a subsidiary company, financial services company, financial institution, stock and other exchanges should not exceed 10% of the bank's paid-up share capital and reserves; (iv) equity investment by a bank in companies engaged in non-financial services activities would be subject to a limit of 10% of the investee company's paid-up share capital or 10% of the bank's paid-up share capital and reserves, whichever is less; and (v) a banking company is restricted from holding shares in any company, whether as pledgee, mortgagee or absolute owner, of an amount exceeding 30% of the paid-up share capital of that company or 30% of its own paid-up share capital and reserves, whichever is less. For details in relation to the investment limits under Master Direction – Ownership in Private Sector Banks, Directions, 2016, see “Key Regulations and Policies” beginning on page 133 .

BIDS BY SCSBS

SCSBs participating in the Issue are required to comply with the terms of the circulars issued by the SEBI 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.

BIDS BY SYSTEMICALLY IMPORTANT NBFCs

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) the last audited financial statements on a basis, (iii) a net worth certificate from its statutory auditors, and (iv) such other approval as may be required by the Systemically Important NBFCs are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

Systemically Important NBFCs participating in the Issue shall comply with all applicable regulations, directions, guidelines and circulars issued by the RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

BIDS BY INSURANCE COMPANIES

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers are prescribed under the IRDAI Investment Regulations, based on investments in equity shares of the investee company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Issue are advised to refer to the IRDAI Investment Regulations 2016, as amended, which are broadly set forth below:

- a) equity shares of a company: the lower of 10%* of the outstanding equity shares (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;
- b) 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
- c) the industry sector in which the investee company operates: 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 (a), (b) and (c) above, as the case may be.

**The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance*

companies with investment assets of ₹ 25,000,000 lakhs or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 5,000,000 lakhs or more but less than ₹ 25,000,000 lakhs.

Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

BIDS BY PROVIDENT FUNDS/PENSION FUNDS

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 2,500 lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

BIDS BY ANCHOR INVESTORS

Our Company in consultation with the BRLM, may consider participation by Anchor Investors in the Issue for upto 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

- 1) Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the BRLM.
- 2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least 200.00 lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of 200.00 lakhs
- 3) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
- 4) Bidding for Anchor Investors will open one Working Day before the Bid/ Issue Opening Date and be completed on the same day.
- 5) Our Company in consultation with the BRLM, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
 - where allocation in the Anchor Investor Portion is upto 200.00 Lakhs, maximum of 2 (two) Anchor Investors.
 - where the allocation under the Anchor Investor Portion is more than 200.00 Lakhs but upto 2500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor; and
 - where the allocation under the Anchor Investor portion is more than 2500.00 Lakhs:(i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto 2500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of 2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to minimum Allotment of 100.00 Lakhs per Anchor Investor.
- 6) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Issue Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/Issue Opening Date, through intimation to the Stock Exchange.
- 7) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- 8) If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/ Issue Closing Date. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.
- 9) At the end of each day of the bidding period, the demand including allocation made to anchor investors,

shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.

- 10) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.
- 11) The BRLM, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection byes.
- 12) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
- 13) Anchor Investors are not permitted to Bid in the Issue through the ASBA process.

BIDS UNDER POWER OF ATTORNEY

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, Systemically Important NBFCs, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India, or the National Investment Fund and provident funds with a minimum corpus of ₹ 2,500 lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2,500 lakhs, 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 Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to accept or reject any Bid in whole or in part, in either case without assigning any reason therefor.

Our Company, in consultation with the BRLM, in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form subject to the terms and conditions that our Company, in consultation with the BRLM may deem fit.

ISSUANCE OF A CONFIRMATION NOTE (“CAN”) AND ALLOTMENT IN THE ISSUE:

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder.

Issue Procedure for Application Supported by Blocked Account (ASBA) Bidders

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum 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 Bid Cum Application Form, please refer the above-mentioned SEBI link.

Terms of payment

The entire Issue price of ₹ 250 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 Bidders.

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 Bidders 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 Bidders.

Payment mechanism

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum 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 Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum 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 Bidder, 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.

Payment into Escrow Account for Anchor Investors

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company in consultation with the Book Running Lead Manager, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors.

- a) For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of: a. In case of resident Anchor Investors: — “Axis Bank Limited – Anchor Account- R”
- b) In case of Non-Resident Anchor Investors: — “Axis Bank Limited – Anchor Account- NR”
- c) Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections from the Anchor Investors.

Electronic Registration of Applications

1. The Designated Intermediaries 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 Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
 - i. the applications accepted by them,
 - ii. the applications uploaded by them
 - iii. the applications accepted but not uploaded by them or
 - iv. With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum 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 Book Running 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 Issue an electronic facility for registering applications for the Issue. This facility will be 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 Book Running Lead Manager on a regular basis.

6. With respect to applications by Bidders, 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 Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

S. No.	Details*
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 Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into in the on-line system:
- Name of the Bidder;
 - IPO Name;
 - Bid Cum Application Form Number;
 - Investor Category;
 - PAN (of First Bidder, if more than one Bidder);
 - DP ID of the demat account of the Bidder;
 - Client Identification Number of the demat account of the Bidder;
 - 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 a Bidder through the Electronic Mode, the Bidder shall complete the above- mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum 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 Bid Cum 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 Bidders and Retail Individual Bidders, 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 Book Running 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 this 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 Bid/ 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 Bid/ 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.

Build of the Book

- a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/ Issue Period.
- b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centers during the Bid/ Issue Period.

Withdrawal of Bids

- a) RIIs can withdraw their Bids until Bid/ Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/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 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.

Price Discovery and Allocation

- a) Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalize the Issue Price.
- b) The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- c) Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and the in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- d) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the RHP.
- e) In case if the Retail Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.

Illustration of the Book Building and Price Discovery Process: Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue, it also excludes Bidding by Anchor Investors. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20 to ₹ 24 per share, Issue

size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Issuer, in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

Anchor Investors are not allowed to withdraw their Bids after Anchor Investors bidding date.

GENERAL INSTRUCTIONS

Do's:

1. Check if you are eligible to apply as per the terms of the Prospectus and under applicable law, rules, regulations, guidelines and approvals. All should submit their Bids through the ASBA process only;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form, as the case may be, in the prescribed form;
4. Ensure that you have mentioned the correct ASBA Account number if you are not an RIB bidding using the UPI Mechanism in the Bid cum Application Form and if you are an RIB using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre (except electronic Bids) within the prescribed time;
6. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries;
7. If you are an ASBA Bidder and the first applicant is not the ASBA Account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
8. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
9. Ensure that you request for and receive a stamped acknowledgement counterfoil of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
10. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;
11. RIBs bidding in the Issue to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID (only for RIBs using the UPI Mechanism) to make an application in the Issue and not ASBA Account or bank account linked UPI ID of any third party;
12. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. Ensure that you have correctly signed the authorization/undertaking box in the Bid cum Application Form or

have otherwise provided an authorization to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of RIBs submitting their Bids and participating in the Issue through the UPI Mechanism, ensure that you authorize the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

14. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
15. Investors to ensure that their PAN is linked with Aadhaar and are in compliance with Central Board of Direct Taxes (“CBDT”) notification dated February 13, 2020 and press release dated June 25, 2021.
16. Ensure that the Demographic Details are updated, true and correct in all respects;
17. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
18. Ensure that the category and the investor status is indicated;
19. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;
20. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;
21. Ensure that the Bidder’s depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;
22. Ensure that when applying in the Issue using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the app and the UPI handle being used for making the application is also appearing in Annexure ‘A’ to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019;
23. RIBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to initialised blocking of funds equivalent to the revised Bid Amount in the RIB’s ASBA Account;
24. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Bid/ Issue Closing Date;
25. RIBs shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RIB may be deemed to have verified the attachment containing the application details of the RIB in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form;
26. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (RIBs bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that

location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of www.sebi.gov.in); and

27. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by RIBs);
1. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
2. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
3. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
4. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
5. Do not submit the Bid for an amount more than funds available in your ASBA account.
6. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of a Bidder;
7. In case of ASBA Bidders, do not submit more than one ASBA Forms per ASBA Account;
8. If you are a RIB and are using UPI mechanism, do not submit more than one ASBA Form for each UPI ID;
9. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
10. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
11. Do not submit the General Index Register (GIR) number instead of the PAN;
12. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
13. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
14. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
15. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;
16. Do not submit a Bid using UPI ID, if you are not a RIB;
17. Do not Bid on another ASBA Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
18. Do not Bid for Equity Shares in excess of what is specified for each category;
19. Do not fill up the Bid cum Application Form such that the number of Equity Shares Bid for, exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Prospectus;
20. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. RIBs can revise or withdraw their Bids on or before the Bid/Issue Closing Date;
21. Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres;

22. If you are an RIB which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third-party bank account or third party linked bank account UPI ID;
23. Do not Bid if you are an OCB; and
24. If you are a QIB, do not submit your Bid after 3:00 pm on the Bid/Issue Closing Date.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Further, in case of any pre-Issue or post-Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors can reach out to the Company Secretary and Compliance Officer. For details of Company Secretary and Compliance Officer, please see the section entitled “*General Information*” and “*Our Management*” beginning on pages 50 and 147 respectively.

For helpline details of the BRLM pursuant to the SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, please see the section entitled “*General Information*” beginning on page 50 of this Prospectus

GROUND FOR TECHNICAL REJECTION

In addition to the grounds for rejection of Bids on technical grounds as provided in the General Information Document, Bidders are requested to note that Bids may be rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
3. Bids submitted on a plain paper;
4. Bids submitted by RIBs using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
5. Bids under the UPI Mechanism submitted by RIBs using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);
6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
7. Bids submitted without the signature of the First Bidder or sole Bidder;
8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
9. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are “suspended for credit” in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;
10. GIR number furnished instead of PAN;
11. Bids by RIBs with Bid Amount of a value of more than ₹ 2,00,000;
12. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
13. Bids accompanied by stock invest, money order, postal order or cash; and
14. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Issue Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Issue Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Issue Closing Date, unless extended by the Stock Exchange.

Further, in case of any pre-Issue or post Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, see “*General Information*” beginning on page 50

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 Bid/ Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100/- per day for the entire duration of delay exceeding four Working Days from the Bid/ Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Further, Investors shall be entitled to compensation in the manner specified in the SEBI Master Circular, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 had reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days); 'T' being issue closing date. The provisions of this circular were applicable, on voluntary basis for public issues opening on or after September 1, 2023 and on mandatory basis for public issues opening on or after December 1, 2023. Our Company shall close this Issue in accordance with the timeline provided under the aforementioned circular. The timelines prescribed for public issues as mentioned in SEBI circulars dated November 1, 2018, June 28, 2019, November 8, 2019, March 30, 2020, March 16, 2021, June 2, 2021, and April 20, 2022 shall stand modified to the extent stated in this Circular.

Names of entities responsible for finalized the basis of allotment in a fair and proper manner

The authorized employees of the Designated Stock Exchange, along with the BRLM and the Registrar, shall ensure that the Basis of Allotment is finalized in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.

BASIS OF ALLOCATION

- a) The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.
- c) In case of under subscription in the Issue, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.

ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The allotment of Equity Shares to Bidders other than Retail Individual Investors may be on proportionate basis. No Retail Individual Investor will be allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue. However, in case the Issue is in the nature of Issue for Sale only, then minimum subscription may not be applicable.

BASIS OF ALLOTMENT

a. For Retail Individual Bidders

Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to 9,57,600 Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than 9,57,600 Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis upto a minimum of 600 Equity Shares and in multiples of 600 Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

b. For Non-Institutional Bidders

Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Issue Price.

The Issue size less Allotment to QIBs and Retail shall be available for allotment to Non- Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to 4,10,400 Equity Shares at or above the Issue Price, full allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than 4,10,400 Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis upto a minimum of 600 Equity Shares and in multiples of 600 Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

c. Allotment To Anchor Investor (If Applicable)

- a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the BRLM, subject to compliance with the following requirements:
- i. not more than 60% of the QIB Portion will be allocated to Anchor Investors;
 - ii. one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
 - iii. allocation to Anchor Investors shall be on a discretionary basis and subject to:
 - maximum number of two Anchor Investors for allocation upto ₹ 2 crores; a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 2 crores and upto ₹ 25 crores subject to minimum allotment of ₹ 1 crores per such Anchor Investor; and
 - in case of allocation above twenty-five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation upto twenty-five crore rupees and an additional 10 such investors for every additional twenty-five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.

d. For QIBs

Bids received from QIBs Bidding in the QIB Category at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

- i. In the first instance, allocation to Mutual Funds for 5% of the QIB Portion shall be determined as follows:
 - In the event that Bids by Mutual Fund exceeds 5% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for 5% of the QIB Portion.
 - In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.
 - Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;
- ii. In the second instance, allotment to all QIBs shall be determined as follows:
 - In the event of oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis, upto a minimum of 600 Equity Shares and in multiples of 600 Equity Shares.
 - Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of 600 Equity Shares and in multiples of 600 Equity Shares thereafter, along with other QIB Bidders.
 - Under-subscription below 5% of the QIB Portion, if any, from Mutual Funds, would be included for

allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than 600 Equity Shares.

iii. Basis of Allotment for QIBs and NIIs in case of Over Subscribed Issue:

In the event of the Issue being Over-Subscribed, the Issuer may finalize the Basis of Allotment in consultation with the BSE Limited (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- a) 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 oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).
- b) The number of Shares to be allocated to the successful Bidders 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).
- c) For Bids where the proportionate allotment works out to less than 600 equity shares the allotment will be made as follows:
 - Each successful Bidder shall be allotted 600 equity shares; and
 - The successful Bidder out of the total bidders for that category shall be determined by draw 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 (b) above.
- d) If the proportionate allotment to a Bidder works out to a number that is not a multiple of 600 equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of 600 equity shares subject to a minimum allotment of 600 equity shares.
- e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of 600 Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, upto 110% of the size of the Issue specified under the Capital Structure mentioned in this RHP.

Retail Individual Investor means an investor who applies for shares of value of not more than ₹ 2,00,000/. Investors may note that in case of over subscription, allotment shall be on proportionate basis and will be finalized in consultation with BSE Limited.

The Executive Director / Managing Director of BSE Limited – the Designated Stock Exchange in addition to Book Running 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.

Issuance of Allotment Advice

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Issue.

The Book Running Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed valid, binding and irrevocable contract for the Allotment to such Bidder.

- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures that credit of shares to the successful Bidders 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.

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 Bid/ 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.

Instructions for Completing the Bid Cum Application Form

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum 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. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum 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 Bid Cum 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 website of BSE Limited i.e. www.bseindia.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 Bid Cum Application Forms in Public Issue with effect from January 01, 2016. The List of RTA and DPs centres for collecting the application shall be disclosed is available on the website of BSE Limited i.e. www.bseindia.com

Bidder'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 Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum 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, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid Cum Application Form, the Bidder 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 Bid Cum Application Form

All Bid Cum 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 Bid Cum 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 Bidder, Bid Cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Cum 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 Platform where the Equity Shares are proposed to be listed are taken within 3 (three) 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 3 (three) 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.

SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 had reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days); 'T' being issue closing date. Our Company shall close this Issue in accordance with the timeline provided under the aforementioned circular.

BASIS OF ALLOTMENT

Allotment will be made in consultation BSE Limited (The Designated 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).
3. For applications where the proportionate allotment works out to less than 600 equity shares the allotment will be made as follows:
 - i. Each successful applicant shall be allotted 600 equity shares; and
 - ii. 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.
4. If the proportionate allotment to an applicant works out to a number that is not a multiple of 600 equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 600 equity shares subject to a minimum allotment of 600 equity shares.
5. If the Shares allocated 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.

BASIS OF ALLOTMENT IN THE EVENT OF UNDER SUBSCRIPTION

In the event of under subscription in the Issue, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100.00% of the Issue size shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange. The Executive Director/Managing Director of the BSE Limited – the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the 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, 2018.

As per the RBI regulations, OCBs are not permitted to participate in the Issue. There is no reservation for Non- Residents, NRIs, FPIs and foreign venture capital funds and all Non-Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.

Equity Shares in Dematerialised Form with NSDL/CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company is in process of entering following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated May 15, 2024.
- b) Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated June 24, 2024
- c) The Company's Equity shares bear an ISIN No. INE0WDX01010.

An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.

- The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Application Form or Revision Form.
- Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.
- Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
- The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis à vis those with his or her Depository Participant.
- Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- The allotment and trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013, our Company shall, after filing the Prospectus with the RoC, publish a Pre-Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in: (Business Standard, editions of Uttar Pradesh (a widely circulated English national daily newspaper), Business Standard, editions of Uttar Pradesh (a widely circulated Hindi national daily newspaper) and Hindi editions of Business Standard (a Hindi language newspaper with wide circulation, Hindi being the regional language of Uttar Pradesh, where our Registered Office is located) each with wide circulation.

In the Pre-Issue advertisement, we shall state the Bid/Issue Opening Date and the Bid/Issue Closing Date. The advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

SIGNING OF THE UNDERWRITING AGREEMENT AND THE ROC FILING

- a) Our Company and the Underwriter intend to enter into an Underwriting Agreement on or before the filing of Prospectus.
- b) After signing the Underwriting Agreement, an updated Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the 'Prospectus'. The Prospectus will contain details of the Issue Price, Issue size, and underwriting arrangements and will be complete in all material respects.

IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

"Any person who:

- I. *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*

- II. *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*
- III. *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.”*

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹ 10/- Lakhs or 1.00% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending upto 10 years and fine of an amount not less than the amount involved in the fraud, extending upto three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 10/- lakhs or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 50/- Lakh or with both.

UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders;
- the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchange where the Equity Shares are proposed to be listed shall be taken within three Working Days of the Bid/Issue Closing Date or such other time as may be prescribed by the SEBI or under any applicable law;
- if Allotment is not made within the prescribed time period under applicable law, the entire Bid amount received will be refunded/unblocked within the time prescribed under applicable law, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period;
- the funds required for making refunds (to the extent applicable) to unsuccessful Bidders as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- no further issue of the Equity Shares shall be made until the Equity Shares issued through the Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under-subscription, etc.
- our Company, in consultation with the BRLM, reserves the right not to proceed with the Fresh Issue, in whole or in part thereof, to the extent of the Issued Shares, after the Bid/ Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/ Issue Closing Date or such other time as may be prescribed by the SEBI, providing reasons for not proceeding with the Issue and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed; and
- if our Company, in consultation with the BRLM withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh Prospectus with the SEBI.

UTILIZATION OF ISSUE PROCEEDS

Our Board certifies that:

- all monies received out of the Fresh 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;
- details of all monies utilized out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the Issue proceeds remains unutilized, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized; and details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested.

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 upto 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, from time to time, has made policy pronouncements on Foreign Direct Investment (“**FDI**”) through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”), has issued consolidated FDI Policy Circular of 2017 (“**FDI Policy 2017**”), which with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2017 will be valid until the DIPP issues an updated circular. The RBI also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to *inter-alia*, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh issue of shares would be subject to the reporting requirements, *inter-alia* with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

Under the current FDI Policy of 2017, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present 100 % foreign direct investment through automatic route is permitted in the sector in which our Company operates. Therefore applicable foreign investment upto 100% is permitted in our company under automatic route.

In case of investment in sectors through Government Route approval from competent authority as mentioned in Chapter 4 of the FDI Policy 2017 has to be obtained by the Company. The transfer of shares between an Indian resident to a non-resident does not require the prior approval of the RBI, subject to fulfilment of certain conditions as specified by DIPP/RBI, from time to time. Such conditions include: (i) where the transfer of shares requires the prior approval of the Government as per the extant FDI policy provided that: a) the requisite approval of the Government has been obtained; and b) the transfer of shares adheres with the pricing guidelines and documentation requirements as specified by the Reserve Bank of India from time to time.; (ii) where the transfer of shares attract SEBI (SAST) Regulations subject to the adherence with the pricing guidelines and documentation requirements as specified by reserve Bank of India from time to time.; (iii) where the transfer of shares does not meet the pricing guidelines under the FEMA, 1999 provided that: a) The resultant FDI is in compliance with the extant FDI policy and FEMA regulations in terms of sectoral caps, conditionalities (such as minimum capitalization, etc.), reporting requirements, documentation etc.; b) The pricing for the transaction is compliant with the specific/explicit, extant and relevant SEBI regulations/guidelines (such as IPO, Book building, block deals, delisting, exit, open offer/substantial acquisition/SEBI SAST); and Chartered Accountants Certificate to the effect that compliance with the relevant SEBI regulations/guidelines as indicated above is attached to the form FC-TRS to be filed with the AD bank and iv) where the investee company is in the financial sector provided that: a) Any ‘fit and proper/due diligence’ requirements as regards the non-resident investor as stipulated by the respective financial sector regulator, from time to time, have been complied with; and b) The FDI policy and FEMA regulations in terms of sectoral caps, conditionalities (such as minimum capitalization, pricing, etc.), reporting requirements, documentation etc., are complied with. 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 2017, 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 Schedule 1, 2, , 3, 6, 7, 8, 9, and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations, 2017. 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.

i. 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 percent and 24 percent will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased upto 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.

ii. 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 Schedule 3 of the FEMA (Transfer or Issue of security by a person resident outside India) Regulations, 2017 i.e.:

- The total holding by any individual NRI or OCI shall not exceed 5 percent of the total paid-up equity capital on a fully diluted basis or should not exceed 5 percent 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 percent of the total paid-up equity capital on a fully diluted basis or shall not exceed 10 percent of the paid-up value of each series of debentures or preference 373 shares or share warrants; provided that the aggregate ceiling of 10 percent may be raised to 24 percent if a special resolution to that effect is passed by the general body of the Indian company.

iii. Investment by NRI or OCI on non-repatriation basis:

As per current FDI Policy 2017, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations – 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

SECTION XI – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

We confirm that no material clause of Article of Association have been left out from disclosure having bearing on the Issue.

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of the Companies Act, 2013 and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below:

2. DEFINITIONS AND INTERPRETATION

A. Definitions

In the interpretation of these Articles the following words and expressions shall have the following meanings unless repugnant to the subject or context.

- a. “Act” means the Companies Act, 2013 along with the relevant Rules made there under, in force and any statutory amendment thereto or replacement thereof and including any circulars, notifications and clarifications issued by the relevant authority under the Companies Act, 2013, and applicable and subsisting provisions of the Companies Act, 1956, if any, along with the relevant Rules made there under. Reference to Act shall also include the Secretarial Standards issued by the Institute of Company Secretaries of India constituted under the Company Secretaries Act, 1980.
- b. “Annual General Meeting” shall mean a General Meeting of the holders of Equity Shares held annually in accordance with the applicable provisions of the Act.
- c. “Articles” shall mean these articles of association as adopted or as from time to time altered in accordance with the provisions of these Articles and Act.
- d. “Auditors” shall mean and include those persons appointed as such for the time being by the Company.
- e. “Board” or “Board of Directors” shall mean the collective board of directors of the Company, as duly called and constituted from time to time, in accordance with Law and the provisions of these Articles.
- f. “Board Meeting” shall mean any meeting of the Board, as convened from time to time and any adjournment thereof, in accordance with law and the provisions of these Articles.
- g. “Business Day” shall mean a day on which scheduled commercial banks are open for normal banking business;
- h. “Capital” or “Share Capital” shall mean the authorized share capital of the Company.
- i. “Chairman” shall mean such person as is nominated or appointed in accordance with Article 35 herein below.
- j. “Companies Act, 1956” shall mean the Companies Act, 1956 (Act I of 1956), to the extent that such provisions have not been repealed or superseded by the Companies Act, 2013 or de-notified.
- k. “Company” or “this Company” shall mean Infosys Limited.
- l. “Committees” shall have the meaning ascribed to such term in Article 66.
- m. “Depositories Act” shall mean The Depositories Act, 1996 and shall include any statutory modification or re-enactment thereof.
- n. “Director” shall mean any director of the Company, including alternate directors, independent directors and nominee directors appointed in accordance with the Law and the provisions of these Articles.
- o. “Dividend” shall include interim dividends.
- p. “Encumbrance” shall mean any encumbrance including without limitation any mortgage, pledge, charge, lien, deposit or assignment by way of security, bill of sale, option or right of pre-emption, entitlement to beneficial ownership and any interest or right held, or claim that could be raised, by a third party or any other encumbrance or security interest of any kind;
- q. “Equity Share Capital” shall mean the total issued and paid-up equity share capital of the Company, calculated on a fully diluted basis.
- r. “Equity Shares” shall mean fully paid-up equity shares of the Company having a par value of INR 10 (Rupees Five) per equity share of the Company, or any other issued Share Capital of the Company that is reclassified, reorganized, reconstituted or converted into equity shares of the Company.
- s. “Executor” or “Administrator” shall mean a person who has obtained probate or letters of administration, as the case may be, from a court of competent jurisdiction and shall include the holder of a succession certificate authorizing the holder thereof to negotiate or transfer the Shares or other Securities of the deceased Shareholder and shall also include the holder of a certificate granted by the Administrator-General appointed under the Administrator Generals Act, 1963.
- t. “Extraordinary General Meeting” shall mean an extraordinary general meeting of the holders of Equity Shares duly called and constituted in accordance with the provisions of the Act.

- u. “Financial Year” shall mean any fiscal year of the Company, beginning on April 1 of each calendar year and ending on March 31 of the following calendar year.
- v. “Law/Laws” shall mean all applicable provisions of all (i) constitutions, treaties, statutes, laws (including the common law), codes, rules, regulations, circulars, ordinances or orders of any governmental authority and SEBI, (ii) governmental approvals, (iii) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any governmental authority, (iv) rules or guidelines for compliance, of any stock exchanges, (v) international treaties, conventions and protocols, and (vi) Indian GAAP or Ind-AS or any other generally accepted accounting principles.
- w. “Memorandum” shall mean the memorandum of association of the Company, as amended from time to time.
- x. “Office” shall mean the registered office for the time being of the Company.
- y. “Paid-up” shall include the amount credited as paid up.
- z. “Person” shall mean any natural person, sole proprietorship, partnership, company, body corporate, governmental authority, joint venture, trust, association or other entity (whether registered or not and whether or not having separate legal personality).
- aa. “Register of Members” shall mean the register of Shareholders to be kept pursuant to Section 88 of the Act. (bb) “Registrar” shall mean the Registrar of Companies, from time to time having jurisdiction over the Company. (cc) “Rules” shall mean the rules made under the Act and as notified from time to time.
- ab. “Seal” shall mean the common seal(s) for the time being of the Company, if any.
- ac. “SEBI” shall mean the Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992. (ff) “SEBI Listing Regulations” shall mean the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, any statutory amendment thereto and any listing agreement entered into by the Company with the Stock Exchanges.
- ad. “Securities” or “securities” shall mean any Share (including Equity Shares), scrips, stocks, bonds, debentures, warrants or options whether or not, directly or indirectly convertible into, or exercisable or exchangeable into or for Equity Shares, and any other marketable securities.
- ae. “Shares” or “shares” shall mean any share issued in the Share Capital of the Company, including Equity Shares and preference shares.
- af. “Shareholder” or “shareholder” or “member” shall mean any shareholder of the Company, from time to time.
- ag. “Shareholders’ Meeting” shall mean any meeting of the Shareholders of the Company, including Annual General Meetings as well as Extraordinary General Meetings, convened from time to time in accordance with the Act, applicable Laws and the provisions of these Articles.
- ah. “Stock Exchanges” shall mean Bombay Stock Exchange Limited, the BSE Limited and any other stock exchange in India where the Securities are listed.

B. Interpretation

In these Articles (unless the context requires otherwise):

- a. References to a person shall, where the context permits, include such person’s respective successors, legal heirs and permitted assigns.
- b. The descriptive headings of Articles are inserted solely for convenience of reference and are not intended as complete or accurate descriptions of content thereof and shall not be used to interpret the provisions of these Articles and shall not affect the construction of these Articles.
- c. References to articles and sub-articles are references to Articles and sub-articles of and to these Articles unless otherwise stated and references to these Articles include references to the articles and sub-articles herein.
- d. Words importing the singular include the plural and vice versa, pronouns importing a gender include each of the masculine, feminine and neuter genders, and where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have the corresponding meanings.
- e. Wherever the words “include,” “includes,” or “including” is used in these Articles, such words shall be deemed to be followed by the words “without limitation”.
- f. The terms “hereof”, “herein”, “hereto”, “hereunder” or similar expressions used in these Articles mean and refer to these Articles and not to any particular Article of these Articles, unless expressly stated otherwise. Reference to statutory provisions shall be construed as meaning and including references also to any amendment or re-enactment for the time being in force and to all statutory instruments or orders made pursuant to such statutory provisions.
- h. In the event any of the provisions of the Articles are contrary to the provisions of the Act and the Rules, the provisions of the Act and Rules will prevail.

3. EXPRESSIONS IN THE ACT AND THESE ARTICLES

Save as aforesaid, any words or expressions defined in the Act or the Depositories Act or the SEBI Listing Regulations, shall, as the case may be, if not inconsistent with the subject or context, bear the same meaning in these Articles.

4. SHARE CAPITAL

- a. The authorised Share Capital of the Company shall be as stated under Clause V of the Memorandum of Association of the Company with such rights, privileges and conditions respectively attached thereto as may be from time to time and the Company may sub- divide, consolidate and increase the Share Capital from time to time and upon the sub-division of Shares, apportion the right to participate in profits in any manner as between the Shares resulting from the sub-division.
- b. The Company has power, from time to time, to increase or reduce its authorised or issued and Paid up Share Capital, in accordance with the Act, applicable Laws and these Articles.
- c. The Share Capital of the Company may be classified into Shares with differential rights as to dividend, voting or otherwise in accordance with the applicable provisions of the Act, Rules, and Law, from time to time.
- d. The Board may, subject to the relevant provisions of the Act and these Articles, allot and issue Shares as payment or part payment for any property purchased by the Company or in respect of goods sold or transferred or machinery or appliances supplied or for services rendered to the Company in or about the formation of the Company or in respect of an acquisition and/or in the conduct of its business or for any goodwill provided to the Company; and any Shares which may be so allotted may be issued as fully/partly Paid-up Shares and if so issued shall be deemed as fully/partly Paid-up Shares.
- e. Except so far as otherwise provided by the conditions of issue or by these Articles, any Share Capital raised by the creation of new Shares, shall be considered as part of the existing Share Capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.
- f. Any application signed by or on behalf of an applicant for Shares in the Company, followed by an allotment of any Shares therein, shall be an acceptance of Shares within the meaning of these Articles and every person who thus or otherwise accepts any Shares and whose name is on the Register of Members, shall for the purposes of these Articles, be a Shareholder.
- g. The money, (if any), which the Board shall, on the allotment of any Shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any Shares allotted by them, shall immediately on the insertion of the name of the allottees, in the Register of Members as the name of the holder of such Shares, become a debt due to and recoverable by the Company from the allottees thereof, and shall be paid by him accordingly.

5. PREFERENCE SHARES

a. Redeemable Preference Shares

The Company, subject to the applicable provisions of the Act, shall have the power to issue on a cumulative or non-cumulative basis, preference shares liable to be redeemed in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power in any manner as they deem fit and provide for redemption of such shares on such terms including the right to redeem at a premium or otherwise as they deem fit.

b. Convertible Redeemable Preference Shares

The Company, subject to the applicable provisions of the Act and the consent of the Board, shall have power to issue on a cumulative or non-cumulative basis convertible preference shares liable to be converted in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power as they deem fit and provide for conversion at a premium or otherwise and/or conversion of such shares into such Securities on such terms as they may deem fit.

6. PROVISIONS IN CASE OF PREFERENCE SHARES.

Upon the issue of preference shares pursuant to Article 5 above, the following provisions shall apply:

- a. No such preference shares shall be redeemed except out of profits of the Company which would otherwise be available for Dividend or out of the proceeds of a fresh issue of shares made for the purposes of the redemption;
- b. No such shares shall be redeemed unless they are fully paid;
- c. The premium, if any, payable on redemption shall have been provided for out of the profits of the Company or out of the Company's securities premium account, before the shares are redeemed;
- d. Where any such shares are proposed to be redeemed out of the profits of the Company, there shall, out of such profits, be transferred, a sum equal to the nominal amount of the shares to be redeemed, to a reserve, to be called the "Capital

Redemption Reserve Account” and the applicable provisions of the Act relating to the reduction of the Share Capital of the Company shall, except as provided by Section 55 of the Act, apply as if the Capital Redemption Reserve Account were Paid up Share Capital of the Company;

- e. The redemption of preference shares under this Article by the Company shall not be taken as reduction of Share Capital;
- f. The Capital Redemption Reserve Account may, notwithstanding anything in this Article, be applied by the Company, in paying up un-issued shares of the Company to be issued to the Shareholders as fully paid bonus shares; and
- g. Whenever the Company shall redeem any redeemable preference shares, the Company shall, within 30 (thirty) days thereafter, give notice thereof to the Registrar as required by Section 64 of the Act.

7. COMPANY’S LIEN:

A. On shares :

a. The Company shall have a first and paramount lien :

(I) on every share (not being a fully paid share), for all money (whether presently payable or not) called, or payable at a fixed time, in respect of that share;

(II) on all shares (not being fully paid shares) standing registered in the name of a single person, for all money presently payable by him or his estate to the Company;

Provided that the Board may, at any time, declare any shares wholly or in part to be exempt from the provisions of this Article.

b. The Company’s lien, if any, on the shares, (not being a fully paid share), shall extend to all Dividends payable and bonuses declared from time to time in respect of such shares.

c. For the purpose of enforcing such lien, the Board may sell such partly Paid-up shares, subject thereto in such manner as the Board shall think fit, and for that purpose may cause to be issued, a duplicate certificate in respect of such shares and may authorise one of their Shareholders to execute and register the transfer thereof on behalf of and in the name of any purchaser. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to said shares be affected by any irregularity or invalidity in the proceedings in reference to the sale of such shares;

Provided that no sale of such shares shall be made :

(I) unless a sum in respect of which the lien exists is presently payable; or

(II) until the expiration of 14 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.

The net proceeds of any such 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. 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.

d. No Shareholder shall exercise any voting right in respect of any shares or Debentures registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.

e. Subject to the Act and these Articles, the right of lien under this Article 7 shall extend to other Securities.

8. CALLS

a. Subject to the provisions of Section 49 of the Act, the terms on which any shares may have been issued and allotted, the Board may, from time to time, by a resolution passed at a meeting of the Board, make such call as it thinks fit upon the Shareholders in respect of all money unpaid on the shares held by them respectively and each Shareholder shall pay the amount of every call so made on him to the Person or Persons and Shareholders and at the times and places appointed by the Board. A call may be made payable 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 General Meeting.

b. 14 (fourteen) days’ notice in writing at the least of every call (otherwise than on allotment) shall be given by the Company specifying the time and place of payment, provided that before the time for payment of such call, the Board may revoke or postpone the same.

c. The call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed and may be made payable by the Shareholders whose names appear on the Register of Members on such date as shall be fixed by the Board.

d. The joint holder of a share shall be jointly and severally liable to pay all instalments and calls due in respect thereof.

e. The Board may, from time to time at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the Shareholders who, from residence at a distance or other cause the Board may deem fairly entitled to such extension; but no Shareholders shall be entitled to such extension save as a matter of grace and favour.

If any Shareholder or allottee fails to pay the whole or any part of any call or instalment, due from him on the day appointed for payment thereof, or any such extension thereof, he shall be liable to pay interest on the same from the day appointed for the payment to the time of actual payment at 10 (ten) per cent per annum or such lower rate as shall from time to time be fixed by the Board but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Shareholder and the Board shall be at liberty to waive payment of such interest either wholly or in part.

g. Any sum, which by the terms of issue of a share or otherwise, becomes payable on allotment or at any fixed date or by instalments at a fixed time whether on account of the nominal value of the share or by way of premium shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue or otherwise the same became payable, and in case of non-payment, all the relevant provisions of these Articles as to payment of call, interest, expenses, forfeiture or otherwise shall apply as if such sum became payable by virtue of a call duly made and notified.

h. On the trial or hearing of any action or suit brought by the Company against any Shareholder or his legal representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Shareholder in respect of whose shares the money is sought to be recovered appears entered on the Register of Members as the holder, or one of the holders at or subsequent to the date at which the money sought to be recovered is alleged to have become due on the shares; that the resolution making the call is duly recorded in the minute book, and that notice of such call was duly given to the Shareholder or his representatives so sued in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Directors who made such call nor that a quorum of Directors was present at the Board at which any call was made, nor that the meeting at which any call was made was duly convened or constituted nor any other matters whatsoever; but the proof of the matters aforesaid shall be conclusive evidence of the debt and the same shall be recovered by the Company against the Shareholder or his representative from whom it is ought to be recovered, unless it shall be proved, on behalf of such Shareholder or his representatives against the Company that the name of such Shareholder was improperly inserted in the Register of Members or that the money sought to be recovered has actually been paid.

i. The Company may enforce a forfeiture of shares under Article 11 below notwithstanding the following : (i) a judgment or a decree in favour of the Company for calls or other money due in respect of any share; (ii) part payment or satisfaction of any calls or money due in respect of any such judgement or decree; (iii) the receipt by the Company of a portion of any money which shall be due from any Shareholder to the Company in respect of his shares; and (iv) any indulgence granted by the Company in respect of the payment of any such money.

j. 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 may agree upon; provided that the money paid in advance of calls shall not confer a right to participate in profits or dividend. Provided always that if at any time after the payment of any such money the rate of interest so agreed to be paid to any such Member appears to the Board to be excessive, it shall be lawful for the Board from time to time to repay to such Member so much of such money as shall then exceed the amount of the calls made upon such shares in the manner determined by the Board. Provided also that if at any time after the payment of any money so paid in advance, the Company shall go into liquidation, either voluntary or otherwise, before the full amount of the money so advanced shall have become due by the members to the Company, on instalments or calls, or in any other manner, the maker of such advance shall be entitled (as between himself and the other Members) to receive back from the Company the full balance of such moneys rightly due to him by the Company in priority to any payment to members on account of capital, in accordance with and subject to the provisions of the Act.

k. 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.

9. TRANSFER AND TRANSMISSION OF SHARES

a. The Company shall record in the Register of Members fairly and distinctly particulars of every transfer or transmission of any share, Debenture or other Security held in a material form.

b. In accordance with Section 56 of the Act, the Rules and such other conditions as may be prescribed under Law, every instrument of transfer of shares held in physical form shall be in writing. In case of transfer of shares where the

Company has not issued any certificates and where the shares are held in dematerialized form, the provisions of the Depositories Act shall apply.

c. I. An application for the registration of a transfer of the shares in the Company may be made either by the transferor or the transferee within the time frame prescribed under the Act.

II. Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee in a prescribed manner and the transferee communicates no objection to the transfer within 2 (two) weeks from the receipt of the notice.

Every such instrument of transfer shall be executed by both, the transferor and the transferee and attested and the transferor shall be deemed to remain the holder of such share until the name of the transferee shall have been entered in the Register of Members in respect thereof.

e. Subject to the provisions of the Act, a person entitled to a share by transmission shall, subject to the right of the Board to retain such Dividends as hereinafter provided in Article 72(g) be entitled to receive, and may give a discharge for any dividends or other moneys payable in respect of the shares.

f. The Board shall have power on giving not less than 7 (seven) days ' previous notice or such lesser period as may be specified by SEBI, by advertisement in a vernacular newspaper and in an English newspaper having wide circulation in the city, town or village in which the Office of the Company is situated and by publishing a notice on the website of the Company, to close the transfer books, the Register of Members and/or Register of Debenture-holders at such time or times and for such period or periods, not exceeding 30 (thirty) days at a time and not exceeding in the aggregate 45 (forty-five) days in each year, as it may deem expedient.

g. Subject to the provisions of Sections 58 of the Act, these Articles and other applicable provisions of the Act or any other Law for the time being in force, the Board may, refuse to register the transfer of, or the transmission by operation of law of the right to, any Securities or interest of a Shareholder in the Company. The Company shall, within 30 (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 the Company, send a notice of refusal to the transferee and transferor or to the person giving notice of such transmission, as the case may be, giving reasons for such refusal.

Provided that, 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.

h. Subject to the applicable provisions of the Act and these Articles, the Directors shall have the absolute and uncontrolled discretion to refuse to register a Person entitled by transfer / transmission to any shares or his nominee as if he were the transferee named in any ordinary transfer presented for registration, and shall not be bound to give any reason for such refusal and in particular may also decline in respect of shares upon which the Company has a lien.

i. Subject to the provisions of these Articles, any transfer of shares in whatever lot should not be refused, though there would be no objection to the Company refusing to split a share certificate into several scripts of any small denominations or, to consider a proposal for transfer of shares comprised in a share certificate to several Shareholders, involving such splitting, if on the face of it such splitting/ transfer appears to be unreasonable or without a genuine need. The Company should not, therefore, refuse transfer of shares in violation of the listing requirements of the relevant Stock Exchanges on the ground that the number of shares to be transferred is less than any specified number.

j. In case of the death of any one or more Shareholders named in the Register of Members as the joint-holders of any shares, the survivors shall be the only Shareholder(s) recognized by the Company as having any title to or interest in such shares, but nothing therein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other Person.

k. The Executors or Administrators or holder of the succession certificate or the legal representatives of a deceased Shareholder, (not being one of two or more joint- holders) or his nominee(s), shall be the only Shareholders recognized by the Company as having any title to the shares registered in the name of such Shareholder, and the Company shall not be bound to recognize such Executors or Administrators or the legal representatives unless such Executors or Administrators or legal representatives shall have first obtained probate or letters of administration or succession certificate, as the case may be, from a duly constituted court in India, provided that the Board may in its absolute discretion dispense with production of probate or letters of administration or succession certificate, upon such terms as to indemnity or otherwise as the Board may in its absolute discretion deem fit and may under Article 9 (a) of these Articles register the name of any Person who claims to be absolutely entitled to the shares standing in the name of a deceased Shareholder, as a Shareholder.

l. (1) Subject to the provisions of Articles and the Act, any Person becoming entitled to shares in consequence of the death, lunacy, bankruptcy of any Shareholder or Shareholders, or by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board, (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article, or of his title, as the Board thinks sufficient, either be registered himself as the holder of the shares or elect to have some

Person nominated by him and approved by the Board, registered as such holder; provided nevertheless, that if such Person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the shares.

m. A Person becoming entitled to a share by reason of the death or insolvency of a Shareholder shall be entitled to the same Dividends and other advantages to which he would be entitled if he were the registered holder of the shares, except that he shall not, before being registered as a Shareholder in respect of the shares, be entitled to exercise any right conferred by membership in relation to meetings of the Company.

(I) Provided that the Directors shall, at any time, give notice requiring any such Person to elect either to register himself or to transfer the shares, and if such notice is not complied with within 90 (ninety) days, the Directors may thereafter withhold payment of all Dividends, bonuses or other monies payable in respect of the shares until the requirements of the notice have been complied with.

(II) Where any instrument of transfer of shares has been received by the Company for registration and the transfer of such shares has not been registered by the Company for any reason whatsoever, the Company shall transfer the Dividends in relation to such shares to a unpaid dividend account unless the Company is authorized by the registered holder of such shares, in writing, to pay such Dividends to the transferee and will keep in abeyance any offer of right shares and/or bonus shares in relation to such shares.

(III) In case of transfer and transmission of shares or other securities where the Company has not issued any certificates and where such shares or Securities are being held in any electronic and fungible form in a Depository, the provisions of the Depositories Act shall apply.

n. Before the registration of a transfer, the certificate or certificates of the share or shares to be transferred must be delivered to the Company along with a properly stamped and executed instrument of transfer in accordance with the provisions of Section 56 of the Act.

o. No fee shall be payable to the Company, in respect of the registration of transfer or transmission of shares, or for registration of any power of attorney, probate, letters of administration or other similar documents.

p. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof, (as shown or appearing in the Register of Members), to the prejudice of a Person or Persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had any notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto, in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice, and give effect thereto if the Board shall so think fit.

q. The provision of these Articles shall be subject to the applicable provisions of the Act, the Rules and any requirements of Law. Such provisions shall mutatis mutandis apply to the transfer or transmission by operation of Law to other Securities of the Company.

10. DEMATERIALIZATION OF SECURITIES

a. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its existing Securities, rematerialize its Securities held in the Depositories and/or to offer its fresh Securities in a dematerialized form pursuant to the Depositories Act, and the rules framed thereunder, if any.

b. Subject to the applicable provisions of the Act, the Company may exercise an option to issue, dematerialize, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialized, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act.

c. If a Person opts to hold his Securities with a Depository, the Company shall intimate such Depository the details of allotment of the Securities and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the Securities.

d. Securities in Depositories to be in fungible form :

All Securities held by a Depository shall be dematerialized and be held in fungible form. Nothing contained in Sections 88, 89 and 186 of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners.

e. Rights of Depositories & Beneficial Owners :

(I) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the Registered Owner for the purposes of effecting transfer of ownership of Securities on behalf of the Beneficial Owner.

(II) Save as otherwise provided in (i) above, the Depository as the Registered Owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.

(III) Every person holding shares of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a Shareholder of the Company.

(IV) The Beneficial Owner of Securities shall, in accordance with the provisions of these Articles and the Act, be entitled to all the rights and subject to all the liabilities in respect of his Securities, which are held by a Depository.

f. Except as ordered by a court of competent jurisdiction or as may be required by Law required and subject to the applicable provisions of the Act, the Company shall be entitled to treat the person whose name appears on the Register as the holder of any share or whose name appears as the Beneficial Owner of any share in the records of the Depository as the absolute

owner thereof and accordingly shall not be bound to recognize any benami trust or equity, equitable contingent, future, partial interest, other claim to or interest in respect of such shares or (except only as by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has expressed or implied notice thereof but the Board shall at their sole discretion register any share in the joint names of any two or more persons or the survivor or survivors of them, subject to Article 17(l).

g. Register and Index of Beneficial Owners :

The Company shall cause to be kept a register and index of members with details of shares and debentures held in materialized and dematerialized forms in any media as may be permitted by Law including any form of electronic media.

The register and index of Beneficial Owners maintained by a Depository under the Depositories Act shall be deemed to be a register and index of members for the purposes of this Act. The Company shall have the power to keep in any state or country outside India a register resident in that state or country.

h. Cancellation of Certificates upon surrender by Person :

Upon receipt of certificate of securities on surrender by a person who has entered into an agreement with the Depository through a participant, the Company shall cancel such certificates and shall substitute in its record, the name of the Depository as the registered owner in respect of the said Securities and shall also inform the Depository accordingly.

i. Service of Documents :

Notwithstanding anything contained in the Act or these Articles to the contrary, where Securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.

j. Transfer of Securities :

(I) Nothing contained in Section 56 of the Act or these Articles shall apply to a transfer of Securities effected by transferor and transferee both of whom are entered as Beneficial Owners in the records of a Depository.

(II) In the case of transfer or transmission of shares or other Securities where the Company has not issued any certificates and where such shares or Securities are being held in any electronic or fungible form in a Depository, the provisions of the Depositories Act shall apply.

k. Allotment of Securities dealt with in a Depository :

Notwithstanding anything in the Act or these Articles, where Securities are dealt with by a Depository, the Company shall intimate the details of allotment of relevant Securities thereof to the Depository immediately on allotment of such Securities.

l. Certificate Number and other details of Securities in Depository :

Nothing contained in the Act or these Articles regarding the necessity of having certificate number/distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository.

m. Provisions of Articles to apply to Shares held in Depository :

Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository so far as they apply to shares held in physical form subject to the provisions of the Depositories Act.

n. Depository to furnish information :

Every Depository shall furnish to the Company information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by Law and the Company in that behalf.

o. Option to opt out in respect of any such Security :

Subject to compliance with applicable Law, if a Beneficial Owner seeks to opt out of a Depository in respect of any Security, he shall inform the Depository accordingly. The Depository shall on receipt of such information make appropriate entries in its records and shall inform the Company. The Company shall within 30 (thirty) days of the receipt of intimation from a Depository and on fulfilment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.

p. Overriding effect of this Article :

Provisions of this Article will have full effect and force notwithstanding anything to the contrary or inconsistent contained in any other Articles.

11. FORFEITURE OF SHARES

a. If any Shareholder fails to pay any call or instalment of a call or any part thereof or any money due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may, at any time thereafter, during such time as the call or instalment or any part thereof or other money remain unpaid or a judgment or decree in respect thereof remain unsatisfied, give notice to such Shareholder or his legal representatives requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

b. The notice shall name a day, (not being less than 14 (fourteen) days from the date of service of notice), and a place or places on or before which such call or instalment or such part or other money as aforesaid and interest thereon, (at such rate as the Board shall determine and payable from the date on which such call or instalment ought to have been paid), and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or instalment is payable, will be liable to be forfeited.

c. If the requirements of any such notice as aforesaid are not be complied with, any share in respect of which such notice has been given, may at any time, thereafter before payment of all calls, instalments, other money due in respect thereof, interest and expenses as required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all Dividends declared or any other money payable in respect of the forfeited share and not actually paid before the forfeiture subject to the applicable provisions of the Act.

d. When any share shall have been so forfeited, notice of the forfeiture shall be given to the Shareholder on whose name it stood immediately prior to the forfeiture or if any of his legal representatives or to any of the Persons entitled to the shares by transmission, and an entry of the forfeiture with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.

e. Any share so forfeited shall be deemed to be the property of the Company and may be sold; re-allotted, or otherwise disposed of either to the original holder thereof or to any other Person upon such terms and in such manner as the Board shall think fit.

f. Any Shareholder whose shares have been forfeited shall, cease to be a shareholder of the Company and notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, instalments, interest and expenses and other money owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment at such rate as the Board may determine and the Board may enforce, (if it thinks fit), payment thereof as if it were a new call made at the date of forfeiture.

g. The forfeiture of a share shall involve extinction at the time of the forfeiture of all interest in all claims and demands against the Company, in respect of the share and all other rights incidental to the share, except only such of these rights as by these Articles are expressly saved.

h. A duly verified declaration in writing that the declarant is a Director or Secretary of the Company and that a share in the Company has been duly forfeited in accordance with these Articles 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 shares.

i. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some Person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

j. Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relevant shares shall, (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Shareholder), stand cancelled and become null and void and of

no effect and the Board shall be entitled to issue a new certificate or certificates in respect of the said shares to the person or persons entitled thereto.

k. The Board may, at any time, before any share so forfeited shall have been sold, re- allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.

l. The Directors may subject to the provisions of the Act, accept a surrender of any share certificates from or by any Shareholder desirous of surrendering them on such terms as the Directors think fit.

12. ALTERATION OF SHARE CAPITAL

Subject to these Articles and Section 61 of the Act, the Company may, by an Ordinary Resolution in General Meeting from time to time, alter the conditions of its Memorandum as follows, that is to say, it may:

a. increase its Share Capital by such amount as it thinks expedient;

b. consolidate and divide all or any of its Share Capital into shares of larger amount than its existing shares :

c. Provided that no consolidation and division which results in changes in the voting percentage of Shareholders shall take effect unless it is approved by the Tribunal on an application made in the prescribed manner;

d. convert all or any of its fully Paid up shares into stock, and reconvert that stock into fully Paid up shares of any denomination;

e. sub-divide its existing Shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so, however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; and

f. cancel its Shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its Share Capital by the amount of the shares so cancelled. Cancellation of shares in pursuance of this Article shall not be deemed to be reduction of Share Capital within the meaning of the Act.

13. REDUCTION OF SHARE CAPITAL

The Company may, subject to the applicable provisions of the Act, from time to time by a Special Resolution, reduce its Capital, any capital redemption reserve account and the securities premium account in any manner for the time being authorized by Law. This Article is not to derogate any power the Company would have under Law, if it were omitted.

14. POWER OF COMPANY TO PURCHASE ITS OWN SECURITIES

Pursuant to a resolution of the Board or a Special Resolution of the Shareholders, as required under the Act, the Company may purchase its own Equity Shares or other Securities, as may be specified by the Act read with Rules made there under from time to time, by way of a buy- back arrangement, in accordance with Sections 68, 69 and 70 of the Act, the Rules and subject to compliance with the applicable Laws.

15. POWER TO MODIFY RIGHTS

a. Where, the Capital, is divided (unless otherwise provided by the terms of issue of the shares of that class) into different classes of shares, all or any of the rights and privileges attached to each class may be varied, subject to the provisions of Section 48 of the Act and applicable Laws, and whether or not the Company is being wound up, be varied provided the same is affected with consent in writing of the holders of not less than three-fourths of the issued shares of that class or by way of a Special Resolution passed at a separate meeting of the holders of the issued shares of that class.

b. To every such separate meeting, the provisions of these Articles 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.

c. 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.

16. REGISTERS TO BE MAINTAINED BY THE COMPANY

a. The Company shall, in terms of the provisions of Section 88 of the Act, cause to be kept the following registers in terms of the applicable provisions of the Act

(I) A Register of Members indicating separately for each class of Equity Shares and preference shares held by each Shareholder residing in or outside India;

- (II) A register of Debenture holders; and
- (III) A register of any other security holders.

b. The Company may keep in any country outside India, a part of the registers referred above, called “foreign register” containing names and particulars of the Shareholders, Debenture holders or holders of other Securities or beneficial owners residing outside India.

c. The registers mentioned in this Article shall be kept and maintained in the manner prescribed under the Companies (Management and Administration) Rules, 2014.

17. SHARES AND SHARE CERTIFICATES

a. The Company shall issue, re-issue and issue duplicate share certificates in accordance with the provisions of the Act and in the form and manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014.

b. A duplicate certificate of shares may be issued, if such certificate :

- (I) is proved to have been lost or destroyed; or
- (II) has been defaced, mutilated or torn; and is surrendered to the Company.

c. The Company shall be entitled to dematerialise its existing Shares, rematerialise its Shares held in the depository and/or to offer its fresh shares in a dematerialised form pursuant to the Depositories Act, and the regulations framed there under, if any.

d. 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 is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deems 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 Articles shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding rupees fifty for each certificate) as the Directors shall prescribe. Provided that, no fee shall be charged for issue of a new certificate 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 the applicable provisions of the Act and Law.

e. The provisions of this Article shall mutatis mutandis apply to Debentures and other Securities of the Company.

f. When a new share certificate has been issued in pursuance of sub-article (e) of this Article, it shall be in the form and manner stated under the Companies (Share Capital and Debentures) Rules, 2014.

g. All blank forms to be used for issue of share certificates shall be printed and the printing shall be done only on the authority of a resolution of the Board. The blank forms shall be consecutively machine-numbered and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or of such other person as the Board may authorize for the purpose and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board. Every forfeited or surrendered share held in material form shall continue to bear the number by which the same was originally distinguished.

h. The Secretary of the Company shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates including the blank forms of the share certificate referred to in sub- article (g) of this Article.

i. All books referred to in sub-article (h) of this Article, shall be preserved in the manner specified in the Companies (Share Capital and Debentures) Rules, 2014.

j. The details in relation to any renewal or duplicate share certificates shall be entered into the register of renewed and duplicate share certificates, as prescribed under the Companies (Share Capital and Debentures) Rules, 2014.

k. If any Shares stands in the names of 2 (two) or more Persons, the Person first named in the Register of Members shall as regards receipt of Dividends or bonus, or service of notices and all or any other matters connected with the Company except voting at meetings and the transfer of shares, be deemed the sole holder thereof, but the joint holders of such Shares shall be severally as well as jointly liable for the payment of all deposits, instalments and calls due in respect of such Shares, and for all incidents thereof according to these Articles.

l. Except as ordered by a court of competent jurisdiction or as may be required by Law, the Company shall be entitled to treat the Shareholder whose name appears on the Register of Members as the holder of such Equity Shares or whose name appears as the beneficial owner of such Equity Shares in the records of the Depository, as the absolute owner thereof and accordingly shall not be bound to recognise any benami, trust or equity or equitable, contingent or other claim to or interest in such Equity Shares on the part of any other Person whether or not such Shareholder shall have

express or implied notice thereof. The Board shall be entitled at their sole discretion to register any Equity Shares in the joint names of any 2 (two) or more Persons or the survivor or survivors of them. The Company shall not be bound to register more than 3 (three) persons as the joint holders of any share except in the case of executors or trustees of a deceased member.

18. SHARES AT THE DISPOSAL OF THE DIRECTORS

a. Subject to the provisions of Section 62 and other applicable provisions of the Act, and these Articles, the shares in the Capital of the Company for the time being (including any shares forming part of any increased Capital of the Company) shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to Persons in such proportion and on such terms and conditions and either at a premium or at par at such time as they may, from time to time, think fit.

b. Subject to applicable Law, the Directors are hereby authorised to issue Equity Shares or Debentures (whether or not convertible into Equity Shares) for offer and allotment to such of the officers, employees and workers of the Company as the Directors may decide or the trustees of such trust as may be set up for the benefit of the officers, employees and workers in accordance with the terms and conditions of such scheme, plan or proposal as the Directors may formulate. Subject to the consent of the Stock Exchanges and SEBI, the Directors may impose the condition that the shares in or debentures of the Company so allotted shall not be transferable for a specified period.

c. If, by the conditions of allotment of any share, the whole or part of the amount thereof shall be payable by instalments, every such instalment shall, when due, be paid to the Company by the person who, for the time being, shall be the registered holder of the shares or by his executor or administrator.

d. Every Shareholder, or his heirs, Executors, or Administrators shall pay to the Company, the portion of the Capital represented by his share or shares which may for the time being remain unpaid thereon in such amounts at such time or times and in such manner as the Board shall from time to time in accordance with the Articles require or fix for the payment thereof.

e. In accordance with Section 56 and other applicable provisions of the Act and the Rules:

(I) Every Shareholder or allottee of shares shall be entitled without payment, to receive one or more certificates specifying the name of the Person in whose favour it is issued, the shares to which it relates and the amount paid up thereon. Such certificates 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 coupon of requisite value, save in cases of issue of share certificates against letters of acceptance or of renunciation, or in cases of issue of bonus shares. Such share certificates shall also be issued in the event of consolidation or sub-division of shares of the Company. Every such certificate shall be issued in the manner prescribed under section 46 of the Act and the Rules framed thereunder. 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. A certificate issued under the Seal of the Company, if any, or signed by two Directors or by a Director and the Secretary, specifying the Shares held by any Person shall be prima facie evidence of the title of the Person to such Shares. Where the Shares are held in depository form, the record of Depository shall be the prima facie evidence of the interest of the beneficial owner.

(II) Every Shareholder 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 may from time to 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 2 (two) months from the date of allotment in case of Shares and 6 (six) months from the date of allotment in case of Debentures, or within 1 (one) month of the receipt of instrument of transfer, transmission, sub-division, consolidation or renewal of its shares as the case may be. Every certificate of shares shall be in the form and manner as specified in Article 17 above and 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 the first named joint holders shall be sufficient delivery to all such holders. For any further certificate, the Board shall be entitled but shall not be bound, to prescribe a charge not exceeding Rs. 20 (Rupees 20).

(III) the Board may, at their absolute discretion, refuse any applications for the sub-division of share certificates or Debenture certificates, into denominations less than marketable lots except where sub-division is required to be made to comply with any statutory provision or an order of a competent court of law or at a request from a Shareholder or to convert holding of odd lot into transferable/marketable lot. Where share certificates are issued in either more or less than marketable lots, sub-division or consolidation of share certificates into marketable lots shall be done free of charge.

(IV) A Director 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.

19. UNDERWRITING AND BROKERAGE

a. Subject to the applicable provisions of the Act, the Company may at any time pay a commission to any person in connection with the subscription or procurement of subscription to its securities, whether absolute or conditional, for any shares or Debentures in the Company in accordance with the provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014.

b. The Company may also, on any issue of shares or Debentures, pay such reasonable brokerage as may be lawful.

20. FURTHER ISSUE OF SHARE CAPITAL

a. Where at any time, the Company proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered—

(I) to persons who, at the date of the offer, are holders of 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:

A. the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than 15 (fifteen) days and not exceeding 30 (thirty) days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;

B. 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 Article 20(a)(i)A above shall contain a statement of this right;

C. 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 may dispose of them in such manner which is not disadvantageous to the Shareholders and the Company.

(II) to employees under a scheme of employees' stock option, subject to Special Resolution passed by the Company and subject to the Rules and such other conditions, as may be prescribed under Law; or

(III) to any persons, if it is authorised by a Special Resolution, whether or not those Persons include the Persons referred to in sub-articles (i) or Article (ii) above, either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to the Rules and such other conditions, as may be prescribed under Law.

b. The notice referred to in sub-clause A of Article 20(a)(i)(A) shall be dispatched through registered post or speed post or through electronic mode to all the existing Shareholders at least 3 (three) days before the opening of the issue.

c. Nothing in this Article shall apply to the increase of the subscribed capital of a Company caused by the exercise of an option as a term attached to the Debentures issued or loan raised by the Company to convert such Debentures or loans into shares in the Company:

Provided that the terms of issue of such Debentures or loan containing such an option have been approved before the issue of such Debentures or the raising of loan by a Special Resolution passed by the Company in a General Meeting.

d. The provisions contained in this Article shall be subject to the provisions of Section 42 and Section 62 of the Act and the Rules.

21. NOMINATION BY SECURITIES HOLDERS

a. Every holder of Securities of the Company may, at any time, nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, a Person as his nominee in whom the Securities of the Company held by him shall vest in the event of his death.

b. Where the Securities of the Company are held by more than one Person jointly, the joint holders may together nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, a Person as their nominee in whom all the rights in the Securities of the Company shall vest in the event of death of all the joint holders.

c. Notwithstanding anything contained in any other Law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of the Securities of the Company, where a nomination made in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, purports to confer on any Person the right to vest the Securities of the Company, the nominee shall, on the death of the holder of Securities of the Company or, as the case may be, on the death of the joint holders become entitled to all the rights in Securities of the holder or, as the case may be, of all the joint holders, in relation to such Securities of the Company to the exclusion of all other Persons, unless the nomination is varied or cancelled in the prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014.

d. Where the nominee is a minor, the holder of the Securities concerned, can make the nomination to appoint in prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014, any Person to become entitled to the Securities of the Company in the event of his death, during the minority.

e. The transmission of Securities of the Company by the holders of such Securities and transfer in case of nomination shall be subject to and in accordance with the provisions of the Companies (Share Capital and Debentures) Rules, 2014.

22. NOMINATION FOR DEPOSITS

A security holder may, at any time, make a nomination and the provisions of Section 72 of the Act shall, as far as may be, apply to the nominations made in relation to the deposits made subject to the provisions of the Rules as may be prescribed in this regard.

23. NOMINATION IN CERTAIN OTHER CASES

Subject to the applicable provisions of the Act and these Articles, any person becoming entitled to Securities in consequence of the death, lunacy, bankruptcy or insolvency of any holder of Securities, or by any lawful means other than by a transfer in accordance with these Articles, may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient, either be registered himself as the holder of the Securities or elect to have some Person nominated by him and approved by the Board registered as such holder; provided nevertheless that, if such Person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the Securities.

24. BORROWING POWERS

a. Subject to the provisions of Sections 73, 179 and 180, and other applicable provisions of the Act and these Articles, the Board may, from time to time, at its discretion by resolution passed at the meeting of a Board:

- (I) accept or renew deposits from Shareholders;
- (II) borrow money by way of issuance of Debentures ;
- (III) borrow money otherwise than on Debentures;
- (IV) accept deposits from Shareholders either in advance of calls or otherwise; and
- (V) generally raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company. Provided, however, that where the money to be borrowed together with the money already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the Paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose), the Board shall not borrow such money without the consent of the Company by way of a Special Resolution in a General Meeting.

b. Subject to the provisions of these Articles, the payment or repayment of money borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the resolution of the Board (not by circular resolution) shall prescribe including by the issue of bonds, perpetual or redeemable Debentures or debenture-stock, or any mortgage, charge, hypothecation, pledge, lien or other security on the undertaking of the whole or any part of the property of the Company (including its uncalled Capital), both present and future. Debentures and other Securities may be assignable free from any equities between the Company and the Person to whom the same may be issued.

c. Subject to the applicable provisions of the Act and these Articles, any bonds, Debentures, debenture-stock or other Securities may if permissible in Law be issued at a discount, premium or otherwise by the Company and shall with the consent of the Board be issued upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company, and on the condition that they or any part of them may be convertible into Equity Shares of any denomination, and with any privileges and conditions as to the redemption, surrender, allotment of shares, appointment of Directors or otherwise. Provided that Debentures with rights to allotment of or conversion into Equity Shares shall not be issued except with the sanction of the Company in General Meeting accorded by a Special Resolution.

d. The Board shall cause a proper Register to be kept in accordance with the provisions of Section 85 of the Act of all mortgages and charges specifically affecting the property of the Company; and shall cause the requirements of the relevant provisions of the Act in that behalf to be duly complied with within the time prescribed under the Act or such extensions thereof as may be permitted under the Act, as the case may be, so far as they are required to be complied

with by the Board. Company shall have the power to keep in any state or country outside India a branch register of debenture holders resident in that state or country.

e. Any capital required by the Company for its working capital and other capital funding requirements may be obtained in such form as decided by the Board from time to time.

f. The Company shall also comply with the provisions of the Companies (Registration of Charges) Rules, 2014 in relation to the creation and registration of aforesaid charges by the Company.

25. SHARE WARRANTS

a. Share warrants may be issued as per the provisions of applicable Law.

b. Power to issue share warrants

The Company may issue share warrants subject to, and in accordance with the provisions of the Act, and accordingly the Board may in its discretion, with respect to any share which is fully paid-up on application in writing signed by the persons registered as holder of the share, and authenticated, by such evidence (if any) as the Board may, from time to time, require as to the identity of the person signing the application, and on receiving the certificate (if any) of the share, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue a share warrant.

c. Deposit of share warrant

(I) The bearer of a share warrant may at any time deposit the warrant at the office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending, and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit as if his name were inserted in the Register of Members as the holder of the share included in the deposited warrant.

(III) Not more than one person shall be recognised as depositor of the share warrant.

(IV) The Company shall, on two days' written notice, return the deposited share warrant to the depositor.

d. Privileges and disabilities of the holders of share warrant

(I) Subject as herein otherwise expressly provided, no person shall, as bearer of a share warrant sign a requisition for calling a meeting of the Company, or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notices from the Company.

(II) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he was named in the Register of Members as the holder of the share included in the warrant, and shall be a Member of the Company.

e. Issue of new Share Warrant or Coupon

The Board may, from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruct.

26. CONVERSION OF SHARES INTO STOCK AND RECONVERSION

a. The Company in General Meeting may, by Ordinary Resolution, convert any Paid-up shares into stock and when any shares shall have been converted into stock, the several holders of such stock may henceforth transfer their respective interest therein, or any part of such interests, in the same manner and subject to the same regulations as those subject to which shares from which the stock arose might have been transferred, if no such conversion had taken place or as near thereto as circumstances will admit. The Company may, by an Ordinary Resolution, at any time reconvert any stock into Paid-up shares of any denomination. Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so however such minimum shall not exceed the nominal account 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 privileges or advantages, (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. Where the shares are converted into stock, such of the Articles 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.

27. CAPITALISATION OF PROFITS

The Company in General Meeting may, upon the recommendation of the Board, resolve :

- a. that it is desirable to capitalize 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 Company's profit and loss account or otherwise, as available for distribution, and
- b. that such sum be accordingly set free from distribution in the manner specified herein below in sub-article (c) as amongst the Shareholders who would have been entitled thereto, if distributed by way of Dividends and in the same proportions.
- c. The sum aforesaid shall not be paid in cash but shall be applied either in or towards:
 - (I) paying up any amounts for the time being unpaid on any shares held by such Shareholders respectively;
 - (II) paying up in full, un-issued shares of the Company to be allotted, distributed and credited as fully Paid up, to and amongst such Shareholders in the proportions aforesaid; or
 - (III) partly in the way specified in sub-article (i) and partly in the way specified in sub-article (ii).
- d. A securities premium account may be applied as per Section 52 of the Act, and a capital redemption reserve account may, duly be applied in paying up of unissued shares to be issued to Shareholders of the Company as fully paid bonus shares.

28. RESOLUTION FOR CAPITALISATION OF RESERVES AND ISSUE OF FRACTIONAL CERTIFICATE

- a. The Board shall give effect to a Resolution passed by the Company in pursuance of this Article 28.
- b. Whenever such a Resolution as aforesaid shall have been passed, the Board shall :
 - (I) make all appropriation and applications of undivided profits (resolved to be capitalized thereby), and all allotments and issues of fully paid shares or Securities, if any; and
 - (II) generally do all acts and things required to give effect thereto.
- c. The Board shall have full power :
 - (I) to make such provisions, by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit, in the case of shares or debentures becoming distributable in fraction; and
 - (II) to authorize any person, on behalf of all the Shareholders entitled thereto, to enter into an agreement with the Company providing for the allotment to such Shareholders, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalization or (as the case may require) for the payment of by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any parts of the amounts remaining unpaid on the shares.
- d. Any agreement made under such authority shall be effective and binding on all such shareholders.

29. ANNUAL GENERAL MEETING

In accordance with the provisions of Section 96 of the Act, the Company shall in each year hold a General Meeting specified as its Annual General Meeting and shall specify the meeting as such in the notices convening such meetings. Further, subject to the provisions of the Act, not more than 15 (fifteen) months' gap shall elapse between the date of one Annual General Meeting and that of the next. All General Meetings other than Annual General Meetings shall be Extraordinary General Meetings.

30. WHEN ANNUAL GENERAL MEETING TO BE HELD

Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96 (1) of the Act to extend the time within which any Annual General Meeting may be held.

31. VENUE, DAY AND TIME FOR HOLDING ANNUAL GENERAL MEETING

- a. Every Annual General Meeting shall be called during business hours as specified under the Act or Rules on a day that is not a national holiday, and shall be held at the Office of the Company or at some other place within the city, town or village in which the Office of the Company is situated, as the Board may determine and the notices calling the Meeting shall specify it as the Annual General Meeting.
- b. Every Shareholder of the Company shall be entitled to attend the Annual General Meeting either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor. At every Annual General Meeting of the Company there shall be laid on the table, the Directors' Report and Audited Statement of Accounts, Auditors' Report, (if not already incorporated in the Audited Statement of Accounts), the proxy Register with proxies and the Register of

Directors' shareholdings which latter Register shall remain open and accessible during the continuance of the Meeting. The Board shall cause to be prepared the Annual Return and forward the same to the Registrar, in accordance with Sections 92 and 137 of the Act. The Directors are also entitled to attend the Annual General Meeting.

32. NOTICE OF GENERAL MEETINGS

a. Number of days' notice of General Meeting to be given : A General Meeting of the Company may be called by giving not less than 21 (twenty one) days clear notice in writing or in electronic mode, excluding the day on which notice is served or deemed to be served. However, a General Meeting may be called after giving shorter notice if consent is given in writing or by electronic mode by not less than 95 (ninety five) percent of the Shareholders entitled to vote at that meeting.

The notice of every meeting shall be given to :

- (I) every Shareholder, legal representative of any deceased Shareholder or the assignee of an insolvent member of the Company,
- (II) Auditor or Auditors of the Company, and
- (III) All Directors.

The accidental omission to give any such notice as aforesaid to any of the Shareholders, or the non-receipt thereof, shall not invalidate any resolution passed at any such meeting.

b. Notice of meeting to specify place, etc., and to contain statement of business : Notice of every meeting of the Company shall specify the place, date, day and hour of the meeting, and shall contain a statement of the business to be transacted thereat shall be given in the manner prescribed under Section 102 of the Act.

c. Contents and manner of service of notice and Persons on whom it is to be served: Every notice may be served by the Company on any Shareholder thereof either in writing or through electronic mode as prescribed in the Act and relevant Rules thereunder personally or by sending it by post to their/its registered address in India and if there be no registered address in India, to the address supplied by the Shareholder to the Company for giving the notice to the Shareholder.

d. Special Business: Subject to the applicable provisions of the Act, where any items of business to be transacted at the meeting are deemed to be special, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each item of business including any particular nature of the concern or interest if any therein of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the relatives of any of the aforesaid and where any item of special business relates to or affects any other company, the extent of shareholding interest in that other company of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the relatives of any of the aforesaid of the first mentioned company shall also be set out in the statement if the extent of such interest is not less than 2 per cent of the paid up share capital of that other company. All business transacted at any meeting of the Company shall be deemed to be special. In case of an Annual General Meeting of the Company, all business to be transacted thereat shall be deemed to be special with the exception of the business specified in Section 102 of the Act.

e. Resolution requiring Special Notice: With regard to resolutions in respect of which special notice is required to be given by the Act, a special notice shall be given as required by Section 115 of the Act.

f. Notice of Adjourned Meeting when necessary : When a meeting is adjourned for 30 (thirty) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting in accordance with the applicable provisions of the Act.

g. Notice when not necessary: 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.

h. The notice of the General Meeting shall comply with the provisions of Companies (Management and Administration) Rules, 2014.

33. REQUISITION OF EXTRAORDINARY GENERAL MEETING

a. The Board may, whenever it thinks fit, call an Extraordinary General Meeting or it shall do so upon a requisition received from such number of Shareholders who hold, on the date of receipt of the requisition, not less than one-tenth of such of the Paid up Share Capital of the Company as on that date carries the right of voting and such meeting shall be held at the Office or at such place and at such time as the Board thinks fit.

b. Any valid requisition so made by Shareholders must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the Office; provided that such requisition may consist of several documents in like form each signed by one or more requisitionists.

c. Upon the receipt of any such valid requisition, the Board shall forthwith call an Extraordinary General Meeting and if they do not proceed within 21 (twenty -one) days from the date of the requisition being deposited at the Office to cause a meeting to be called on a day not later than 45 (forty-five) days from the date of deposit of the requisition, the

requisitionists or such of their number as represent either a majority in value of the Paid up Share Capital held by all of them or not less than one-tenth of such of the Paid-up Share Capital of the Company as is referred to in Section 100 of the Act, whichever is less, may themselves call the meeting, but in either case any meeting so called shall be held within three months from the date of the delivery of the requisition as aforesaid.

d. Any meeting called under the foregoing sub-articles by the

e. No General Meeting, Annual or Extraordinary, shall be competent to enter into, discuss or transact any business which has not been mentioned in the notice or notices by which it was convened.

f. The Extraordinary General Meeting called under this Article shall be subject to and in accordance with the provisions under the Act read with the Companies (Management and Administration) Rules, 2014.

34. NO BUSINESS TO BE TRANSACTED IN GENERAL MEETING IF QUORUM IS NOT PRESENT

The quorum for the Shareholders' Meeting shall be in accordance with Section 103 of the Act. Subject to the provisions of Section 103(2) of the Act, if such a quorum is not present within half an hour from the time set for the Shareholders' Meeting, the meeting if convened by or upon the requisition of Members, shall stand dissolved but in case of any other Shareholders' Meeting shall be adjourned to the same day in the next week or if that day is a public holiday until the next succeeding day which is not a public holiday at the same time and place or to such other day at such other time and place as the Board may determine and the agenda for the adjourned Shareholders' Meeting shall remain the same. If at such adjourned meeting also, a quorum is not present, at the expiration of half an hour from the time appointed for holding the meeting, the members present shall be a quorum, and may transact the business for which the meeting was called.

35. CHAIRMAN

The Chairman of the Board shall be entitled to take the Chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board or if at any meeting he shall not be present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the Chair, then the Directors present shall elect one of them as Chairman. If no Director is present or if all the Directors present decline to take the Chair, then the Shareholders present shall elect one of their members to be the Chairman of the meeting. No business shall be discussed at any General Meeting except the election of a Chairman while the Chair is vacant.

36. CHAIRMAN CAN ADJOURN THE GENERAL MEETING

The Chairman may, with the consent given in the meeting at which a quorum is present (and if so directed by the meeting) adjourn the General Meeting from time to time and from place to place within the city, town or village in which the Office of the Company is situate but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

37. DEMAND FOR POLL

a. At any General Meeting, a resolution put to the vote of the General Meeting shall, unless a poll is demanded in accordance with the Act, be decided in the manner set out in the Act. Before or on the declaration of the result of the voting on any resolution by a show of hands, a poll may be carried out in accordance with the applicable provisions of the Act or the voting is carried out electronically. Unless a poll is demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried or carried unanimously, or by a particular majority, or lost and an entry to that effect in the Minute Book of the Company shall be conclusive evidence of the fact, of passing of such resolution or otherwise.

b. In the case of equal votes, the Chairman shall both on a show of hands and at a poll, (if any), have a casting vote in addition to the vote or votes to which he may be entitled as a Shareholder.

c. If a poll is demanded as aforesaid, the same shall subject to anything stated in these Articles be taken at such time, (not later than forty-eight hours from the time when the demand was made), and place within the city, town or village in which the Office of the Company is situate and either by a show of hands or by ballot or by postal ballot, as the Chairman shall direct and either at once or after an interval or adjournment, or otherwise and the result of the poll shall be deemed to be the decision of the meeting at which the poll was demanded. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll. The demand for a poll may be withdrawn at any time by the Person or Persons who made the demand.

d. Where a poll is to be taken, the Chairman of the meeting shall appoint such number of scrutinizers as prescribed under the Act and Rules to scrutinise the votes given on the poll and to report thereon to him. The Chairman shall have power at any time before the result of the poll is declared, to remove a scrutinizer from office and fill vacancies in the office of scrutinizer arising from such removal or from any other cause.

- e. Any poll duly demanded on the election of a Chairman of a meeting or any question of adjournment, shall be taken at the meeting forthwith.
- f. The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.
- g. No report of the proceedings of any General Meeting of the Company shall be circulated or advertised at the expense of the Company unless it includes the matters required by these Articles or Section 118 of the Act to be contained in the Minutes of the proceedings of such meeting.
- h. The Shareholders will do nothing to prevent the taking of any action by the Company or act contrary to or with the intent to evade or defeat the terms as contained in these Articles

38. PASSING RESOLUTIONS BY POSTAL BALLOT

- a. Notwithstanding any of the provisions of these Articles, the Company may, and in the case of resolutions relating to such business as notified under the Companies (Management and Administration) Rules, 2014, as amended, or other Law required to be passed by postal ballot, shall get any resolution passed by means of a postal ballot, instead of transacting the business in the General Meeting of the Company. Also, the Company may, in respect of any item of business other than ordinary business and any business in respect of which Directors or Auditors have a right to be heard at any meeting, transact the same by way of postal ballot.
- b. Where the Company decides to pass any resolution by resorting to postal ballot, it shall follow the procedures as prescribed under Section 110 of the Act and the Companies (Management and Administration) Rules, 2014, as amended from time.

39. VOTES OF MEMBERS

- a. No Shareholder shall be entitled to vote either personally or by proxy at any General Meeting or meeting of a class of Shareholders either upon a show of hands or upon a poll in respect of any shares registered in his name on which calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.
- b. Subject to the provisions of these Articles, without prejudice to any special privilege or restrictions as to voting for the time being attached to any class of shares for the time being forming a part of the Capital of the Company, every Shareholder not disqualified by the last preceding Article, shall be entitled to be present, and to speak and vote at such meeting, and on a show of hands, every Shareholder present in person shall have one vote and upon a poll, the voting right of such Shareholder present, either in person or by proxy, shall be in proportion to his share of the Paid Up Share Capital of the Company held alone or jointly with any other Person or Persons.

Provided however, if any Shareholder holding Preference shares be present at any meeting of the Company, save as provided in Section 47(2) of the Act, he shall have a right to vote only on resolutions placed before the Meeting, which directly affect the rights attached to his preference shares.

- c. On a poll taken at a meeting of the Company, a Shareholder entitled to more than one vote, or his proxy, or any other Person entitled to vote for him (as the case may be), need not, if he votes, use or cast all his votes in the same way.
- d. A Shareholder 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, through a committee or through his legal guardian; and any such committee or guardian may, on a poll vote by proxy. If any Shareholder be a minor his vote in respect of his Share(s) shall be exercised by his guardian(s), who may be selected (in case of dispute) by the Chairman of the meeting.
- e. If there be joint registered holders of any shares, any one of such Persons may vote at any meeting or may appoint another Person, (whether a Shareholder or not) as his proxy in respect of such shares, as if he were solely entitled thereto; but the proxy so appointed shall not have any right to speak at the meeting and if more than one of such joint-holders be present at any meeting, then one of the said Persons so present whose name stands higher in the Register of Members shall alone be entitled to speak and to vote in respect of such shares, but the other joint - holders shall be entitled to be present at the meeting. Executors or Administrators of a deceased Shareholder in whose name shares stand shall for the purpose of these Articles be deemed joint-holders thereof.
- f. Subject to the provision of these Articles, votes may be given personally or by an attorney or by proxy. A body corporate, whether or not a Company within the meaning of the Act, being a Shareholder may vote either by a proxy or by a representative duly authorised in accordance with Section 113 of the Act and such representative shall be entitled to exercise the same rights and powers, (including the right to vote by proxy), on behalf of the body corporate which he represents as that body could have exercised if it were an individual Shareholder.

- g. Any Person entitled to transfer any shares of the Company may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Board of his right to such shares and give such indemnity (if any) as the Board may require unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.
- h. Every proxy, (whether a Shareholder or not), shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporation under the seal of such corporation or be signed by an officer or an attorney duly authorised by it, and any committee or guardian may appoint proxy. The proxy so appointed shall not have any right to speak at a meeting.
- i. An instrument of proxy may appoint a proxy either for (i) the purposes of a particular meeting (as specified in the instrument) or (ii) for any adjournment thereof or (iii) it may appoint a proxy for the purposes of every meeting of the Company, or (iv) of every meeting to be held before a date specified in the instrument for every adjournment of any such meeting.
- j. A Shareholder present by proxy shall be entitled to vote only on a poll.
- k. Every instrument of proxy whether for a specified meeting or otherwise should, as far as circumstances admit, be in any of the forms set out under Section 105 and other provisions of the Act and in the Companies (Management and Administration) Rules, 2014.
- l. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal, or revocation of the proxy or of any power of attorney under which such proxy was signed, or the transfer of the Share in respect of which the vote is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the Office before the meeting.
- m. 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. Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.
- n. The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be in the sole judge of the validity of every vote tendered at such poll.
- (I) The Company shall cause minutes of the proceedings of every General Meeting to be kept by making within 30 (thirty) days of the conclusion of every such meeting concerned, entries thereof in books kept for that purpose with their pages consecutively numbered.
- (II) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the same meeting within the aforesaid period of 30 (thirty) days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for that purpose.
- (IV) The Minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- (IV) All appointments of Directors of the Company made at any meeting aforesaid shall be included in the minutes of the meeting.
- (V) Nothing herein contained shall require or be deemed to require the inclusion in any such Minutes of any matter which in the opinion of the Chairman of the Meeting (i) is or could reasonably be regarded as, defamatory of any person, or (ii) is irrelevant or immaterial to the proceedings, or (iii) is detrimental to the interests of the Company. The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the Minutes on the aforesaid grounds.
- (VI) Any such Minutes shall be evidence of the proceedings recorded therein.
- (VII) The book containing the Minutes of proceedings of General Meetings shall be kept at the Office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than two hours in each day as the Board determines, for the inspection of any Shareholder without charge.
- (VIII) The Company shall cause minutes to be duly entered in books provided for the purpose of:
- A. the names of the Directors and Alternate Directors present at each General Meeting;
- B. all Resolutions and proceedings of General Meeting.
- o. All matters arising at a General Meeting of the Company, other than as specified in the Act or these Articles if any, shall be decided by a majority vote.
- p. Any corporation which is a Shareholder of the Company may, by resolution of the Board or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company and the said person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could have exercised if it were an individual Shareholder in the Company (including the right to vote by proxy).

q. The Company shall also provide e-voting facility to the Shareholders of the Company in terms of the provisions of the Companies (Management and Administration) Rules, 2014, SEBI Listing Regulations or any other Law, if applicable to the Company.

40. DIRECTORS

a. Subject to the applicable provisions of the Act, the number of Directors of the Company shall not be less than 3 (three) and not more than 15 (fifteen). However, the Company may at any time appoint more than 15 (fifteen) directors after passing Special Resolution at a General Meeting. The Company shall also comply with the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the provisions of the SEBI Listing Regulations. The Board shall have an optimum combination of executive and Independent Directors with at least 1 (one) woman Director, as may be prescribed by Law from time to time.

b. Subject to Article 41(a), Sections 149, 152 and 164 of the Act and other provisions of the Act, the Company may increase or reduce the number of Directors.

c. The Company may, and subject to the provisions of Section 169 of the Act, remove any Director before the expiration of his period of office and appoint another Director.

41. CHAIRMAN OF THE BOARD OF DIRECTORS

a. The members of the Board shall elect any one of them as the Chairman of the Board. The Chairman shall preside at all meetings of the Board and the General Meeting of the Company. The Chairman shall have a casting vote in the event of a tie.

b. If for any reason the Chairman is not present at the meeting or is unwilling to act as Chairman, the members of the Board shall appoint any one of the remaining Directors as the Chairman.

42. APPOINTMENT OF ALTERNATE DIRECTORS

Subject to Section 161 of the Act, the Board shall be entitled to nominate an alternate director to act for a director of the Company during such director's absence for a period of not less than 3 (three) months from India. The Board may appoint such a person as an Alternate Director to act for a Director (hereinafter called "the Original Director") (subject to such person being acceptable to the Chairman) during the Original Director's absence. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of the office of the Original Director is determined before he so returns to India, any provisions in the Act or in these Articles for automatic re-appointment shall apply to the Original Director and not to the Alternate Director.

43. CASUAL VACANCY AND ADDITIONAL DIRECTORS

Subject to the applicable provisions of the Act and these Articles, the Board shall have the power at any time and from time to time to appoint any qualified Person to be a Director either as an addition to the Board or to fill a casual vacancy but so that the total number of Directors shall not at any time exceed the maximum number fixed under Article 40. Any Person so appointed as an addition shall hold office only up to the earlier of the date of the next Annual General Meeting or at the last date on which the Annual General Meeting should have been held but shall be eligible for appointment by the Company as a Director at that meeting subject to the applicable provisions of the Act.

44. DEBENTURE DIRECTORS

If it is provided by a trust deed, securing or otherwise, in connection with any issue of Debentures of the Company, that any Person/lender or Persons/lenders shall have power to nominate a Director of the Company, then in the case of any and every such issue of Debentures, the Person/lender or Persons/lenders having such power may exercise such power from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to a Debenture Director. A Debenture Director may be removed from office at any time by the Person/lender or Persons/lenders in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A Debenture Director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or be removed by the Company, but shall automatically cease and vacate office as a Director if and when the Debentures are fully discharged.

45. INDEPENDENT DIRECTORS

The Company shall have such number of Independent Directors on the Board of the Company, as may be required in terms of the provisions of Section 149 of the Act and the Companies (Appointment and Qualification of Directors)

Rules, 2014 or any other Law, as may be applicable. Further, the appointment of such Independent Directors shall be in terms of the aforesaid provisions of Law and subject to the requirements prescribed SEBI Listing Regulations.

46. NOMINEE DIRECTORS

a. The Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any Law for the time being in force or of any agreement or by the Central Government or the State Government by virtue of its shareholding in a Government Company.

b. So long as any moneys remain owing by the Company to The Industrial Development Bank of India, Industrial Finance Corporation of India, The Industrial Credit and Investment Corporation of India Limited, The Industrial Reconstruction Corporation of India Limited, Life Insurance Corporation of India, General Insurance Corporation of India, National Insurance Company Limited, The Oriental Fire & General Insurance Company Limited, The New India Assurance Company Limited, United India Insurance Company Ltd., Karnataka State Industrial Investment and Development Corporation Ltd. or any State Financial Corporation or any Financial Institution owned or controlled by the Central Government or any State Government or the Reserve Bank of India or by two or more of them by Central Government themselves (each of the above and Unit Trust of India are hereinafter referred to as the Corporation) out of any loans/debentures, assistance granted by them to the Company or so long as the Corporation holds or continues to hold Debentures/Shares in the Company as a result of any guarantee furnished by the Corporation on behalf of the Company and remaining outstanding, the Corporation shall have a right to appoint from time to time, any person as Director, Whole Time or Non-Whole Time (which Director or Directors, is/are hereinafter referred to as 'Nominee Director/s') on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person in his or their places. The Board shall have no power to remove from the office of the Nominee Directors. At the option of the Corporation such Nominee Director/s shall not be liable to retirement by rotation. Subject as aforesaid, Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Directors of the Company.

47. PERIOD OF HOLDING OF OFFICE BY NOMINEE DIRECTORS

The Nominee Director/s so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation holds or continues to hold Debentures/shares in the Company as a result of underwriting or by direct subscription or private placement or the liability of the Company arising out of the guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said powers shall ipso facto vacate such office immediately the moneys owing by the Company to the Corporation are paid off or on the Corporation ceasing to hold Debentures/ shares in the Company or on the satisfaction of liability of the Company arising out of any guarantee furnished by the Corporation.

48. APPOINTMENT OF SPECIAL DIRECTORS

On behalf of the Company, whenever Directors enter into a contract with any Government, Central, State or Local, any Bank or Financial institution or any person or persons (hereinafter referred to as "the appointer") for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or for underwriting or entering into any other arrangement whatsoever the Directors shall have, subject to the provisions of Section 152 of the Act, the power to agree that such appointer shall have right to appoint or nominate by notice in writing addressed to the Company one or more Directors on the Board for such period and upon such conditions as may be mentioned in the agreement and that such Director or Directors may not be liable to retire by rotation nor be required to hold any qualification shares. The Directors may also agree that any such Director or Directors may be removed from time to time by the appointer entitled to appoint or nominate them and the appointer may appoint another or others in his or their place and also fill in any vacancy which may occur as a result of any such Director or Directors ceasing to hold that office for any reason whatsoever. The Directors appointed or nominated under this Article shall be entitled to exercise and enjoy all or any of the rights and privileges exercised and enjoyed by the Directors of the Company including payment of remuneration and travelling expenses to such Director or Directors as may be agreed by the Company with the appointer.

49. NO QUALIFICATION SHARES FOR DIRECTORS

A Director shall not be required to hold any qualification shares of the Company.

50. REMUNERATION OF DIRECTORS

- a. Subject to the applicable provisions of the Act, the Rules, Law including the provisions of the SEBI Listing Regulations, a Managing Director or Managing Directors, and any other Director/s who is/are in the whole time employment of the Company may be paid remuneration either by a way of monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other, subject to the limits prescribed under the Act.
- b. Subject to the applicable provisions of the Act, a Director (other than a Managing Director or an executive Director) may receive a sitting fee not exceeding such sum as may be prescribed by the Act or the central government from time to time for each meeting of the Board or any Committee thereof attended by him.
- c. The remuneration payable to each Director for every meeting of the Board or Committee of the Board attended by them shall be such sum as may be determined by the Board from time to time within the maximum limits prescribed from time to time by the Central Government pursuant to the first proviso to Section 197 of the Act.
- d. All fees/compensation to be paid to non-executive Directors including Independent Directors shall be as fixed by the Board subject to Section 197 and other applicable provisions of the Act, the Rules thereunder and of these Articles. Notwithstanding anything contained in this Article, the Independent Directors shall not be eligible to receive any stock options.

51. SPECIAL REMUNERATION FOR EXTRA SERVICES RENDERED BY A DIRECTOR

If any Director be called upon to perform extra services or special exertions or efforts (which expression shall include work done by a Director as a member of any Committee formed by the Directors), the Board may arrange with such Director for such special remuneration for such extra services or special exertions or efforts either by a fixed sum or otherwise as may be determined by the Board. Such remuneration may either be in addition, to or in substitution for his remuneration otherwise provided, subject to the applicable provisions of the Act.

52. MISCELLANEOUS EXPENSES OF DIRECTORS

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. The rules in this regard may be framed by the Board of Directors from time to time.

53. CONTINUING DIRECTORS

The continuing Directors may act notwithstanding any vacancy in their body, but if, and so long as their number is reduced below the minimum number fixed by Article 40 hereof, the continuing Directors may act for the purpose of increasing the number of Directors to that number, or for summoning a General Meeting, but for no other purpose.

54. DISQUALIFICATION AND VACATION OF OFFICE BY A DIRECTOR

- a. A person shall not be eligible for appointment as a Director of the Company if he incurs any of the disqualifications as set out in section 164 and other relevant provisions of the Act. Further, on and after being appointed as a Director, the office of a Director shall ipso facto be vacated on the occurrence of any of the circumstances under section 167 and other relevant provisions of the Act.
- b. Subject to the applicable provisions of the Act, the resignation of a director shall take effect from the date on which the notice is received by the company or the date, if any, specified by the director in the notice, whichever is later.

55. RELATED PARTY TRANSACTIONS AND DISCLOSURE OF INTEREST

The Company shall comply with the applicable provisions of the Act, Rules framed thereunder and other relevant provisions of Law in respect of related party transactions and the Directors shall comply with the disclosure of interest provisions under the Act.

56. RETIREMENT OF DIRECTORS BY ROTATION

- a. At every Annual General Meeting of the Company, one third of such of the Directors as are liable to retire by rotation in accordance with section 152 of the Act (excluding Independent Directors), or, if their number is not three or a multiple of three then the number nearest to one third shall retire from office, and they will be eligible for re- election.
- b. The Directors to retire by rotation shall be those who have been longest in office since their last appointment but as between persons who become Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot. Provided that and to the extent permissible under the Act, the Managing Director, joint managing director, deputy managing director, manager or whole-time Director(s) appointed or such other directors nominated pursuant to Articles 44 and 46 hereto shall not retire by rotation under this Article nor

shall they be included in calculating the total number of Directors of whom one third shall retire from office under this Article.

57. PROCEDURE, IF PLACE OF RETIRING DIRECTORS IS NOT FILLED UP

a. If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a national holiday, at the same time and place.

b. If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been reappointed at the adjourned meeting, unless :

(I) at that meeting or at the previous meeting a resolution for the reappointment of such Director has been put to the meeting and lost;

(II) retiring Director has, by a notice in writing addressed to the Company or its Board, expressed his unwillingness to be so reappointed;

(III) he is not qualified or is disqualified for appointment;

(IV) a resolution whether Special or Ordinary is required for the appointment or reappointment by virtue of any applicable provisions of the Act; or

(V) Section 162 of the Act is applicable to the case.

58. MANAGING DIRECTOR(S) / WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S) / MANAGER

Subject to the provisions of Section 203 of the Act and other applicable provisions of the Act and of these Articles, the Board may appoint from time to time one or more of their Directors to be the Managing Director or joint managing director or whole time director or deputy managing director or manager of the Company on such terms and on such remuneration (in any manner, subject to it being permissible under the Act) partly as the Board may think fit in accordance with the applicable provisions of the Act and the Rules thereunder. Subject to the provisions of the Act, the Managing Director or Joint Managing Director or Whole time Director or Deputy Managing Director or Manager of the Company so appointed by the Board shall not while holding that office, be subject to retirement by rotation or taken into account in determining the rotation of retirement of directors, but their appointment shall be subject to determination ipso facto if they cease from any cause to be a director or if the company in General Meeting resolve that their tenure of the office of Managing Director or Joint Managing Director or Whole time Director or Deputy Managing Director or Manager be determined.

59. PROVISIONS TO WHICH MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER ARE SUBJECT

a. Unless permitted under the Act, the Company however, shall not appoint or employ at the same time more than one of the following categories of management personnel namely, a managing director and manager.

b. The remuneration of a Managing Director/ whole time director or executive director or manager shall (subject to Sections 196, 197 and other applicable provisions of the Act, the Rules thereunder and of these Articles and of any contract between him and the Company) be paid in the manner permitted under the Act.

60. POWER AND DUTIES OF MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER

Subject to the provisions of the Act, the Directors, may from time to time entrust and confer upon a Managing Director, whole time director(s), executive director(s) or managers for the time being such of the powers exercisable upon such terms and conditions and with such restrictions as they may think fit either collaterally with or to the exclusion of and in substitution for all or any of their own powers and from time to time revoke, withdraw, alter or vary all or any of such powers.

61. POWER TO BE EXERCISED BY THE BOARD ONLY BY MEETING

Subject to the provisions of the Act, the Board shall exercise the following powers on behalf of the Company and the said powers shall be exercised only by resolutions passed at the meeting of the Board:

a. to make calls on Shareholders in respect of money unpaid on their shares;

b. to authorise buy-back of securities under Section 68 of the Act;

- c. to issue securities, including debentures, whether in or outside India;
- d. to borrow money(ies);
- e. to invest the funds of the Company;
- f. to grant loans or give guarantee or provide security in respect of loans; and
- g. any other matter which may be prescribed under the Act, Companies (Meetings of Board and its Powers) Rules, 2014 and the SEBI Listing Regulations to be exercised by the Board only by resolutions passed at the meeting of the Board.

The Board may, by a resolution passed at a meeting, delegate to any Committee of Directors, the Managing Director, or to any person permitted by Law the powers specified in sub clauses (d) to (f) above. In respect of dealings between the company and its bankers the exercise by the company of the powers specified in clause (d) shall mean the arrangement made by the company with its bankers for the borrowing of money by way of overdraft or cash credit or otherwise and not the actual day to day operation on overdraft, cash credit or other accounts by means of which the arrangement so made is actually availed of.

The aforesaid powers shall be exercised in accordance with the provisions of the Companies (Meetings of Board and its Powers) Rules, 2014 and shall be subject to the restrictions on the powers of the Board under section 180 of the Act.

62. PROCEEDINGS OF THE BOARD OF DIRECTORS

- a. At least 4 (four) Board Meetings shall be held in any calendar year and there should not be a gap of more than 120 (one hundred twenty) days between two consecutive Board Meetings.
- b. The participation of Directors in a meeting of the Board may be either in person or through video conferencing or other audio visual means, as may be prescribed under the Act, which are capable of recording and recognising the participation of the Directors and of recording and storing the proceedings of such meetings along with date and time. However, such matters as provided under the Companies (Meetings of Board and its Powers) Rules, 2014 shall not be dealt with in a meeting through video conferencing or other audio visual means. Any meeting of the Board held through video conferencing or other audio visual means shall only be held in accordance with the Companies (Meetings of Board and its Powers) Rules, 2014.
- c. The Secretary, as directed by a Director, or any other Director shall, as and when directed by the Chairman or a Director convene a meeting of the Board by giving a notice in writing to every Director in accordance with the provisions of the Act and the Companies (Meetings of Board and its Powers) Rules, 2014.
- d. The Board may meet either at the Office of the Company, or at any other location in India or outside India, as the Chairman may determine.
- e. At least 7 (seven) days' notice of every meeting of the Board shall be given in writing to every Director for the time being at his address registered with the Company and such notice shall be sent by hand delivery or by post or by electronic means. A meeting of the Board may be convened in accordance with these Articles by a shorter notice in case of any urgent matters as directed by the Chairman or the Managing Director or the Executive Director, as the case may be, subject to the presence of 1 (one) Independent Director in the said meeting. If an Independent Director is not present in the said meeting, then decisions taken at the said meeting shall be circulated to all the Directors and shall be final only upon ratification by one independent Director. Such notice or shorter notice may be sent by post or by fax or e-mail depending upon the circumstances.
- f. At any Board Meeting, each Director may exercise 1 (one) vote. The adoption of any resolution of the Board shall require the affirmative vote of a majority of the Directors present at a duly constituted Board Meeting.

63. QUORUM FOR BOARD MEETING

- a. Quorum for Board Meetings

(I) Subject to the provisions of Section 174 of the Act, the quorum for each Board Meeting shall be one-third of its total strength or two directors, whichever is higher, and the presence of Directors by video conferencing or by other audio visual means shall also be counted for the purposes of calculating quorum. Provided that where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength, the number of the remaining Directors, that is to say, the number of the Directors who are not interested present at the meeting being not less than two, shall be the quorum during such meeting.

(II) If a meeting of the Board could not be held for want of quorum, then the meeting shall automatically stand adjourned to such other time as may be fixed by the Chairman.

64. CASTING VOTE

Questions arising at any meeting of the Board, other than as specified in these Articles and the Act, if any, shall be decided by a majority vote. In the case of an equality of votes, the Chairman shall have a second or casting vote. No regulation made by the Company in General Meeting, shall invalidate any prior act of the Board, which would have been valid if that regulation had not been made.

65. POWERS OF THE BOARD

Subject to the applicable provisions of the Act, these Articles and other applicable provisions of Law:

a. The Board shall be entitled to exercise all such power and to do all such acts and things as the Company is authorised to exercise and do under the applicable provisions of the Act or by the Memorandum and Articles of association of the Company.

b. The Board is vested with the entire management and control of the Company, including as regards any and all decisions and resolutions to be passed, for and on behalf of the Company.

Provided that the Board shall not, except with the consent of the Company by a Special Resolution:-

(I) Sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking, of the whole, or substantially the whole, of any such undertaking. The term 'undertaking' and the expression 'substantially the whole of the undertaking' shall have the meaning ascribed to them under the provisions of Section 180 of the Act;

(II) Remit, or give time for repayment of, any debt due by a Director;

(III) Invest otherwise than in trust securities the amount of compensation received by the Company as a result of any merger or amalgamation; and

(IV) Borrow money(ies) where the money(ies) to be borrowed together with the money(ies) already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of businesses), will exceed the aggregate of the paid-up capital of the Company and its free reserves.

Provided further that prior permission of the Company in a General Meeting shall be required for making a contribution, in any Financial Year, to bonafide charitable and other funds in excess of an aggregate amount equivalent to 5 (five) % of the Company's average net profits for the 3 (three) immediately preceding Financial Years.

c. Certain Powers of the Board

Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the last preceding Article and other provisions of the Act, it is hereby declared that the Directors shall have the following powers, that is to say, power:

(I) To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the company.

(II) Payment out of Capital : To pay and charge to the capital account of the company any commission or interest lawfully payable thereout under the provisions of Sections 40(6) of the Act,

(III) To acquire property : Subject to Sections 179 and 188 of the Act to purchase or otherwise acquire for the Company any property, rights, privileges which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they think fit, and in any such purchases or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory,

(IV) To pay for property, etc. : At their discretion and subject to the provisions of the Act, to pay for any property, rights, or privileges acquired or services rendered in the Company either wholly or partially, in cash or in shares, bonds, debentures, mortgages, or other securities of the such amount credited as paid up thereon as may be agreed upon and any such bonds; debentures, mortgages or other securities may be either, specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.

(V) To secure contracts : To secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit.

(VI) To accept surrender of shares : To accept from any member, as far as may be permissible by law, a surrender of his shares or any part thereof, on such terms and conditions as shall be agreed.

(VII) To appoint Trustees : To appoint any person to accept and to hold in trust for the Company any property belonging to the Company, or in which it is interested, or for any other purposes; and to execute and do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.

(VIII) To bring and defend actions : To institute, conduct, defend, compound, or abandon any legal proceedings by or against the Company or its officers or otherwise payment or satisfaction of any debts due, and of any claims or demands by or against the Company, and to refer any differences to arbitration, and observe and perform any awards made thereon.

(IX) To act in insolvency matters : To act on behalf of the Company in all matters relating to bankrupts and insolvents.

(X) To give receipts : To make and give receipts, releases and other discharges for moneys payable to the Company, and for the claims and demands of the Company.

(XI) To invest moneys: Subject to the provisions of Sections 179, 180 (1) (c), 185, and 186 of the Act, to invest, deposit and deal with any moneys of the Company not immediately required for the purpose thereof, upon such security (not being shares of this Company), or without security and in such manner as they may think fit, and from time to time to vary or realise such investments. Save as provided in Section 49 of the Act, all investments shall be made and held in the Company's own name.

(XII) To provide for Personal Liabilities : To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety; for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit; and any such mortgage may contain a power of sale, and such other powers, provisions, covenants and agreements as shall be agreed upon.

(XIII) To authorise acceptances: To determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give necessary authority for such purpose.

(XIV) To distribute bonus : To distribute by way of bonus amongst the staff of the Company a share in the profits of the Company, and to give to any officer or other person employed by the Company a commission on the profits of any particular business or transaction and to charge such bonus or commission as part of the working expenses of the Company.

(XV) To provide for welfare of employees : To provide for the welfare of Directors or Ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons by building or contributing to the building of houses, dwellings or chawls or by grants of moneys, pensions, gratuities, allowances, bonus or other payments; or by creating and from time to time subscribing or contributing to provident and other associations, institutions or funds or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit, and subject to the provisions of Section 180 of the Act. To subscribe or contribute or otherwise to assist or to guarantee money to any charitable, benevolent, religious, scientific, national or other institutions or objects which shall have any moral or other claim to support or aid by the Company either by reason of locality of operation, or of public and general utility or otherwise.

(XVI) To create reserve fund : Before recommending any dividend to set aside, out of the profits of the Company such sums as they may think proper for depreciation or to a Depreciation Fund or to an Insurance Fund or as a Reserve Fund or Sinking Fund or any special fund to meet contingencies or to repay debentures or debenture-stock, or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purposes referred to in the preceding clause), as the Board may in their absolute discretion think conducive to the interest of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as required to be invested, upon such investments (other than shares of the Company) as they think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purposes as the Board in their absolute discretion, think, conducive to the interest of the company notwithstanding that the matters to which the Board apply or upon which they expend the same, or any part thereof, may be matters to or upon which the capital moneys of the company might rightly be applied or expended, and to divide the reserve fund into such special funds as the Board may think fit with full power to transfer the whole or any portion of the Reserve Fund into such special funds as the Board may think fit, with full power to transfer the whole or any portion of a Reserve Fund or division of a Reserve Fund and with full power to employ the assets constituting all or any of the above funds, including the Depreciation Fund, in the business of the company or in the purchase or repayment of debentures or debenture- stock, and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper.

(XVII) To appoint managers etc.: To appoint, and at their discretion remove or suspend such general managers, secretaries, assistants, supervisors, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and fix their salaries, or emoluments or remuneration, and to require security in such instances and to such amount as they may think fit. And also from time to

time to provide for the management and transaction of the affairs of the company in any specified locality in India or elsewhere in such manner as they think fit.

(XVIII) To comply with local Laws: To comply with requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.

(XIX) To delegate powers : Subject to Section 179 of the Act, from time to time and at any time to delegate to any persons so appointed any of the powers, authorities and discretions for the time being vested in the Board, other than their power to make call or to make loans or borrow moneys, and any such appointment or delegation may be made on such terms, and subject to such conditions as the Board may think fit, and the Board may at any time remove any persons so appointed and may annul any such delegation.

(XX) To authorise by power of attorney : At any time and from time to time by Power of Attorney (if so resolved by the Board under the Seal of the Company), to appoint any person or persons to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities, and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in the limits authorised by the Board, the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and any such appointment may (if the Board thinks fit) be made in favour of the shareholders, directors, nominees or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly, or indirectly by the Board and any such Power of Attorney may contain such powers for the protection or convenience of persons dealing with such Attorneys as the Board may think fit, and may contain Powers enabling any such delegates or Attorneys as aforesaid to sub-delegate all or any of the Powers, authorities and discretions for the time- being vested in them.

(XXI) To negotiate : Subject to Section 188 of the Act for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds, and things in the name and on behalf of the Company as they may consider expedient.

(XXII) To make and vary Regulations : From time to time make, vary or repeal bye- laws for the regulation of the business of the Company, its officers and servants.

(XXIII) Amendments to Accounts : Subject to Section 130, the directors shall, if they consider it to be necessary and in the interest of the company, be entitled to amend the Audited Accounts of the company of any financial year which have been laid before the Company in General Meeting. The amendments to the Accounts effected by the directors in pursuance of this Article shall be placed before the members in General Meeting for their consideration and approval.

(XXIV) To formulate schemes, etc.: Subject to provisions of Law, the directors may formulate, create, institute or set up such schemes, trusts, plans or proposals as they may deem fit for the purpose of providing incentive to the officers, employees and workers of the company, including without limiting the generality of the foregoing, formulation of schemes for the subscription by the officers, employees and workers to shares in, or debentures of, the company.

66. COMMITTEES AND DELEGATION BY THE BOARD

a. The Company shall constitute such Committees as may be required under the Act, applicable provisions of Law and the SEBI Listing Regulations. Without prejudice to the powers conferred by the other Articles and so as not to in any way to limit or restrict those powers, the Board may, subject to the provisions of Section 179 of the Act, delegate any of its powers to the Managing Director(s), the executive director(s) or manager or the chief executive officer of the Company. The Managing Director(s), the executive director(s) or the manager or the chief executive officer(s) as aforesaid shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on them by the Board and all acts done by them in exercise of the powers so delegated and in conformity with such regulations shall have the like force and effect as if done by the Board.

b. Subject to the applicable provisions of the Act, the requirements of Law and these Articles, the Board may delegate any of its powers to Committees of the Board consisting of such member or members of the Board as it thinks fit, and it may from time to time revoke and discharge any such committee of the Board either wholly or in part and either as to persons or purposes. Every Committee of the Board so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee of the Board in conformity with such regulations and in fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.

c. The meetings and proceedings of any such Committee of the Board consisting of more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulation made by the Directors under the last preceding Article.

67. ACTS OF BOARD OR COMMITTEE VALID NOTWITHSTANDING INFORMAL APPOINTMENT

- a. All acts undertaken at any meeting of the Board or of a Committee of the Board, or by any person acting as a Director shall, notwithstanding that it may afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director. Provided that nothing in this Article shall be deemed to give validity to the acts undertaken by a Director after his appointment has been shown to the Company to be invalid or to have been terminated.
- b. 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.

68. PASSING OF RESOLUTION BY CIRCULATION

- a. No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, unless the resolution has been circulated in draft form, together with the necessary papers, if any, to all the Directors, or members of the Committee, as the case may be, at their addresses registered with the Company in India by hand delivery or by post or by courier, or through such electronic means as may be provided under the Companies (Meetings of Board and its Powers) Rules, 2014 and has been approved by majority of Directors or members, who are entitled to vote on the resolution. However, in case one-third of the total number of Directors for the time being require that any resolution under circulation must be decided at a meeting, the Chairman shall put the resolution to be decided at a meeting of the Board.
- b. A resolution mentioned above shall be noted at a subsequent meeting of the Board or the Committee thereof, as the case may be, and made part of the minutes of such meeting.

69. MINUTES OF THE PROCEEDINGS OF THE MEETING OF THE BOARD

- a. The Company shall prepare, circulate and maintain minutes of each Board Meeting in accordance with the Act and Rules and such minutes shall contain a fair and correct summary of the proceedings conducted at the Board Meeting.
- b. The minutes kept and recorded under this Article shall also comply with the provisions of Secretarial Standard 1 issued by the Institute of Company Secretaries of India constituted under the Company Secretaries Act, 1980 and approved as such by the Central Government and applicable provisions of the Act and Law.

70. THE SECRETARY

Subject to the provisions of Section 203 of the Act, the Board may, from time to time, appoint any individual as Secretary of the Company to perform such functions, which by the Act or these Articles for the time being of the Company are to be performed by the Secretary and to execute any other duties which may from time to time be assigned to him by the Board. The Board may also at any time appoint some individual (who need not be the Secretary), to maintain the Registers required to be kept by the Company.

71. SEAL

- a. The Board may provide a Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and if the Seal is provided for, the Board shall provide for the safe custody of the Seal for the time being.
- b. Subject to Article 72 (a), the Board may, if a Seal is required to be affixed on any instrument, affix the Seal of the Company, to any instrument 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 2 (two) Directors and of the Secretary or such other person as the Board may appoint for the purpose; and those 2 (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.

72. DIVIDEND POLICY

- a. The profits of the Company, subject to any special rights relating thereto being created or authorised to be created by the Memorandum or these Articles and subject to the provisions of these Articles shall be divisible among the Shareholders in proportion to the amount of Capital Paid-up or credited as Paid-up and to the period during the year for which the Capital is Paid-up on the shares held by them respectively. Provided always that, (subject as aforesaid), any Capital Paid-up on a Share during the period in respect of which a Dividend is declared, shall unless the Directors otherwise determine, only entitle the holder of such Share to an apportioned amount of such Dividend as from the date of payment.

- b. Subject to the provisions of Section 123 of the Act, the Company in General Meeting may declare Dividends, to be paid to Shareholders according to their respective rights and interests in the profits. No Dividends shall exceed the amount recommended by the Board, but the Company in General Meeting may, declare a smaller Dividend, and may fix the time for payments not exceeding 30 (thirty) days from the declaration thereof.
- c. No Dividend shall be declared or paid otherwise than out of profits of the Financial Year arrived at after providing for depreciation in accordance with the provisions of Section 123 of the Act or out of the profits of the Company for any previous Financial Year or years arrived at after providing for depreciation in accordance with the provisions of the Act and remaining undistributed, or out of both, and provided that the declaration of the Board as to the amount of the net profits shall be conclusive.
- d. Subject to Section 123, the Board may, from time to time, pay to the Shareholders such interim Dividend as in their judgment the position of the Company justifies.
- e. Where Capital is paid in advance of calls upon the footing that the same shall carry interest, such Capital shall not whilst carrying interest, confer a right to participate in profits or Dividend.
- f. (I) Subject to the rights of Persons, if any, entitled to shares with special rights as to Dividend, all Dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof Dividend is paid but if and so long as nothing is paid upon any shares in the Company, Dividends may be declared and paid according to the amount of the shares.
- (II) No amount paid or credited as paid on shares in advance of calls shall be treated for the purpose of this Article as paid on shares.
- (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 shares are issued on terms providing that it shall rank for Dividend as from a particular date such shares shall rank for Dividend accordingly.
- g. Subject to the applicable provisions of the Act and these Articles, the Board may retain the Dividends payable upon shares in respect of any Person, until such Person shall have become a Shareholder, in respect of such shares or until such shares shall have been duly transferred to him.
- h. Any one of several Persons who are registered as the joint -holders of any Share may give effectual receipts for all Dividends or bonus and payments on account of Dividends or bonus or sale proceeds of fractional certificates or other money(ies) payable in respect of such shares.
- i. Subject to the applicable provisions of the Act, no Shareholder shall be entitled to receive payment of any interest or Dividends in respect of his Share(s), whilst any money may be due or owing from him to the Company in respect of such Share(s); either alone or jointly with any other Person or Persons; and the Board may deduct from the interest or Dividend payable to any such Shareholder all sums of money so due from him to the Company.
- j. Subject to Section 126 of the Act, a transfer of shares shall not pass the right to any Dividend declared thereon before the registration of the transfer.
- k. Unless otherwise directed any Dividend may be paid by cheque or warrant or by a pay slip or receipt (having the force of a cheque or warrant) and sent by post or courier or by any other legally permissible means to the registered address of the Shareholder or Person entitled or in case of joint-holders to that one of them first named in the Register of Members in respect of the joint-holding. Every such cheque or warrant shall be made payable to the order of the Person to whom it is sent and in case of joint-holders to that one of them first named in the Register of Members in respect of the joint-holding. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transmission, or for any Dividend lost to a Shareholder or Person entitled thereto, by a forged endorsement of any cheque or warrant or a forged signature on any pay slip or receipt of a fraudulent recovery of Dividend. If 2 (two) or more Persons are registered as joint -holders of any Share(s) any one of them can give effectual receipts for any money (ies) payable in respect thereof. Several Executors or Administrators of a deceased Shareholder in whose sole name any Share stands, shall for the purposes of this Article be deemed to be joint-holders thereof.
- l. No unpaid Dividend shall bear interest as against the Company.
- m. Any General Meeting declaring a Dividend may on the recommendation of the Board, make a call on the Shareholders of such amount as the Meeting fixes, but so that the call on each Shareholder shall not exceed the Dividend payable to him, and so that the call will be made payable at the same time as the Dividend; and the Dividend may, if so arranged as between the Company and the Shareholders, be set -off against such calls.
- n. Notwithstanding anything contained in this Article, the dividend policy of the Company shall be governed by the applicable provisions of the Act and Law.

73. UNPAID OR UNCLAIMED DIVIDEND

- a. Subject to the provisions of the Act, if the Company has declared a Dividend but which has not been paid or the Dividend warrant in respect thereof has not been posted or sent within 30 (thirty) days from the date of declaration, transfer the total amount of dividend, which remained unpaid or unclaimed within 7 (seven) days from the date of expiry of the said period of 30 (thirty) days to a special account to be opened by the Company in that behalf in any scheduled bank.
- b. Subject to provisions of the Act, any money so transferred to the unpaid Dividend account of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company to the Fund established under sub-section (1) of Section 125 of the Act, viz. "Investors Education and Protection Fund".
- c. Subject to the provisions of the Act, no unpaid or unclaimed Dividend shall be forfeited by the Board before the claim becomes barred by Law.

74. ACCOUNTS AND BOARD'S REPORT

- a. The Company shall prepare and keep the books of accounts or other relevant books and papers and financial statements for every Financial Year which give a true and fair view of the state of affairs of the Company, including its branch office or offices, if any, in accordance with the Act, Rules and as required under applicable Law.
- b. In accordance with the provisions of the Act, along with the financial statements laid before the Shareholders, there shall be laid a 'Board's report' as to the state of the Company's affairs and as to the amounts, if any, which it proposes to carry to any reserves in such balance sheet and the amount, if any, which it recommends should be paid by way of dividend; and material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the company to which the balance sheet relates and the date of the report. The Board shall also give the fullest information and explanations in its report aforesaid or in an addendum to that report, on every reservation, qualification or adverse remark contained in the auditor's report and by the company secretary in practice in his secretarial audit report.
- c. The Company shall comply with the requirements of Section 136 of the Act.

75. DOCUMENTS AND NOTICES

- a. A document or notice may be given or served by the Company to or on any Shareholder whether having his registered address within or outside India either personally or by sending it by post or by registered post or by courier, to him to his registered address.
- b. Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or notice, provided that where a Shareholder has intimated to the Company in advance that documents or notices should be sent to him under a certificate of posting or by registered post with or without acknowledgement due or by cable or telegram and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall be deemed to be effected unless it is sent in the manner intimated by the Shareholder. Such service shall be deemed to have effected in the case of a notice of a meeting, at the expiration of forty eight hours after the letter containing the document or notice is posted or after a telegram has been dispatched and in any case, at the time at which the letter would be delivered in the ordinary course of post or the cable or telegram would be transmitted in the ordinary course.
- c. A document or notice may be given or served by the Company to or on the joint - holders of a Share by giving or serving the document or notice to or on the joint- holder named first in the Register of Members in respect of the Share.
- d. Every person, who by operation of Law, transfer or other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such Share, which previous to his name and address being entered on the register of Shareholders, shall have been duly served on or given to the Person from whom he derives his title to such Share.
- e. Any document or notice to be given or served by the Company may be signed by a Director or the Secretary or some Person duly authorised by the Board for such purpose and the signature thereto may be written, printed, photostat or lithographed.
- f. All documents or notices to be given or served by Shareholders on or to the Company or to any officer thereof shall be served or given by sending the same to the Company or officer at the Office by post under a certificate of posting or by registered post or by leaving it at the Office.
- g. Where a document is sent by electronic mail, service thereof shall be deemed to be effected properly, where a member has registered his electronic mail address with the Company and has intimated the Company that documents should be sent to his registered email address, without acknowledgement due. Provided that the Company, shall provide each member an opportunity to register his email address and change therein from time to time with the Company or the concerned depository. The Company shall fulfil all conditions required by Law, in this regard.

76. SERVICE ON MEMBERS HAVING NO REGISTERED ADDRESS

If a Shareholder does not have registered address in India, and has not supplied to the Company any address within India, for the giving of the notices to him, a document advertised in a newspaper circulating in the neighborhood of Office of the Company shall be deemed to be duly served to him on the day on which the advertisement appears.

77. NOTICE BY ADVERTISEMENT

Subject to the applicable provisions of the Act, any document required to be served or sent by the Company on or to the Shareholders, or any of them and not expressly provided for by these Articles, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the District in which the Office is situated.

78. WINDING UP

a. 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 Shareholders, 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.

b. 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 Shareholders or different classes of Shareholders.

c. 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.

79. INDEMNITY

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.

80. DIRECTOR'S ETC. NOT LIABLE FOR CERTAIN ACTS

Subject to the provision of the Act, no Director, Manager or Officer of the Company shall be liable for the acts, defaults, receipts and neglects of any other Director, Manager or Officer or for joining in any receipts or other acts for the sake of conformity or for any loss or expenses happening to the company through the insufficiency or deficiency of title to any property acquired by order of the directors or for any loss or expenses happening to the Company through the insufficiency or deficiency of any security in or upon which any of the monies of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person with whom any monies, securities or effects shall be deposited or for any loss occasioned by an error of judgement or oversight on his part, or for any other loss, damage or misfortune whatsoever which shall happen in the execution thereof, unless the same shall happen through the negligence, default, misfeasance, breach of duty or breach of trust of the relevant Director, Manager or Officer.

81. SIGNING OF CHEQUES

Subject to applicable Law and Section 64 of the Act, all cheques, promissory notes, drafts, bills of exchange, and other negotiable instruments, and all receipts for moneys paid by the company, shall be signed, drawn, accepted or otherwise executed as the case may be, in such manner as the Directors shall from time to time by resolution determine.

82. INSPECTION BY SHAREHOLDERS

The register of charges, register of investments, Register of Members, books of accounts and the minutes of the meeting of the shareholders shall be kept at the office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than two hours in each day as the board determines for inspection of any shareholder without charge. In the event such shareholder conducting inspection of the abovementioned documents requires extracts of the same, the Company may charge a fee which shall not exceed rupees ten per page or such other limit as may be prescribed under the Act or other applicable provisions of Law.

83. AMENDMENT TO MEMORANDUM AND ARTICLES OF ASSOCIATION

The Company may amend its Memorandum of Association and Articles of Association subject to Sections 13, 14 and 15 of the Act and such other provisions of Law, as may be applicable from time-to-time.

84. SECRECY OF WORKS OR INFORMATION

No shareholder shall be entitled to visit or inspect the Company's work without permission of the Directors or to require discovery of any information respectively any details of Company's trading or any matter which is or may be in the nature of a trade secret, history of trade or secret process which may be related to the conduct of the business of the Company and which in the opinion of the Directors will be inexpedient in the interest of the Shareholders of the Company to communicate to the public.

85. DUTIES OF THE OFFICER TO OBSERVE SECRECY

Every Director, Managing Directors, manager, Secretary, Auditor, trustee, members of the committee, officer, servant, agent, accountant or other persons employed in the business of the Company shall, if so required by the Directors before entering upon his duties, or any time during his term of office, sign a declaration pledging himself to observe secrecy relating to all transactions of the Company with its customers and the state of accounts with individuals and all manufacturing, technical and business information of the company and in matters relating thereto and shall by such declaration pledge himself not to reveal any of such matters which may come to his knowledge in the discharge of his official duties except which are required so to do by the Directors or the Auditors, or by resolution of the Company in the general meeting.

86. AUTHORIZATIONS

- a. Wherever in the Act it has been provided that the Company or the Board shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company or the Board is so authorized by its Articles, then and in that case these Articles hereby authorize and empower the Company and/ or the Board (as the case may be) to have all such rights, privileges, authorities and to carry out all such transactions as have been permitted by the Act without there being any specific regulation to that effect in these Articles save and except to the extent that any particular right, privilege, authority or transaction has been expressly negated or prohibited by any other Article herein).
- b. If pursuant to the approval of these Articles, if the Act requires any matter any matter previously requiring a special resolution is, pursuant to such amendment, required to be approved by an ordinary resolution, then in such a case these Articles hereby authorize and empower the Company and its Shareholders to approve such matter by an ordinary resolution without having to give effect to the specific provision in these Articles requiring a special resolution to be passed for such matter.

SECTION XII – 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 Red Herring 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 were attached to the copy of the Red Herring Prospectus, which were 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 and on our website at www.clnenergy.in, from date of filing of the Red Herring Prospectus with ROC on all Working Days until the Bid/Issue Closing Date.

1. Material Contracts for the Issue

- (i). Issue Agreement dated July 23, 2024 entered into between our Company and the Book Running Lead Manager.
- (ii). Registrar Agreement dated July 23, 2024 entered into amongst our Company and the Registrar to the Issue.
- (iii). Tripartite Agreement dated May 15, 2024 between our Company, NSDL and the Registrar to the Issue.
- (iv). Tripartite Agreement dated June 24, 2024 between our Company, CDSL and the Registrar to the Issue.
- (v). Syndicate Agreement dated January 09, 2025 executed between our Company, Book Running Lead Manager and Syndicate Member.
- (vi). Banker to the Issue Agreement dated October 31, 2024 among our Company, Book Running Lead Manager, Banker to the Issue and the Registrar to the Issue.
- (vii). Market Making Agreement dated October 24, 2024 between our Company, Book Running Lead Manager and Market Maker.
- (viii). Underwriting Agreement dated October 24, 2024 amongst our Company and the Underwriters.

2. Material Documents for the Issue

- (i) Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.
- (ii) Certificate of Incorporation dated October 1, 2019 under the Companies Act, 2013 issued by Deputy Registrar of Companies, Registrar of Companies, Central Registration Centre.
- (iii) Fresh Certificate of Incorporation dated May 8, 2023, issued under the Companies Act, 2013 by the Registrar of Companies, Kanpur at Uttar Pradesh, pursuant to change of name of our company to '*CLN Energy Private Limited*'.
- (iv) Fresh Certificate of incorporation dated June 18, 2024 issued under the Companies Act, 2013 by the, Central Processing Centre, pursuant to conversion of our Company into a public limited company.
- (v) The resolution passed by the Board of Directors at its meeting held on June 20, 2024 and the resolution passed by the Shareholders of the Company in EGM held on June 22, 2024, authorizing the Issue.
- (vi) Resolution of the Board of Directors of the Company dated July 31, 2024 taking on record and approving the Draft Red Herring Prospectus.
- (vii) Resolution of the Board of Directors of the Company dated January 16, 2025 taking on record and approving the Red Herring Prospectus.
- (viii) Resolution of the Board of Directors of the Company dated January 28, 2025 taking on record and approving this Prospectus.
- (ix) Peer reviewed Auditor's report for Restated Financials dated December 06, 2024 included in this Prospectus.
- (x) The Statement of Tax Benefits dated December 06, 2024 from Peer reviewed Auditors included in this Prospectus.
- (xi) Copies of the Audited Financial Statements of our Company for the period ended September 30, 2024, Fiscals 2024 and 2023 and 2022.

- (xii) Consent of the Promoter, Directors, the Book Running Lead Manager, Legal Counsel, Registrar to the Issue, Banker to the Issue, Syndicate Member, Underwriter, Market Maker, Statutory Auditor, Bankers to our Company, Company Secretary and Compliance Officer and Chief Financial Officer as referred to in their specific capacities.
- (xiii) Consent letter dated December 06, 2024 of the Statutory Auditor to include their names as experts in relation to their report dated December 06, 2024 on the Restated Financial Information and the Statement of Tax Benefits dated December 06, 2024 included in this Prospectus.
- (xiv) Certificate on Key Performance Indicators (KPI's) issued by Auditor dated December 06, 2024
- (xv) In principle listing approval dated November 19, 2024 issued by BSE Limited.
- (xvi) Due Diligence Certificate dated January 16, 2025 issued by the BRLM.

Any of the contracts or documents mentioned in this 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, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act, 2013 and other relevant statutes.

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

SD/-

Rajiv Seth

Chairman and Non-Executive Director

Place: Uttar Pradesh

Date: January 28, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

SD/-

Sunil Gandhi

Whole Time Director and CEO

Place: Uttar Pradesh

Date: January 28, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

SD/-

Manish Shah

Whole Time Director and COO

Place: Uttar Pradesh

Date: January 28, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

SD/-

Rakesh Kakkar

Non-Executive Independent Director

Place: Uttar Pradesh

Date: January 28, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

SD/-

Bhawna Hundlani

Non-Executive Independent Director

Place: Uttar Pradesh

Date: January 28, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

SD/-
Ashish Kumar
Chief Financial Officer

Place: Uttar Pradesh
Date: January 28, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Prospectus are true and correct.

SIGNED BY THE COMPANY SECRETARY AND COMPLIANCE OFFICER OF OUR COMPANY

SD/-
Sonal Jhanwar
Company Secretary and Compliance Officer

Place: Uttar Pradesh
Date: January 28, 2025