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**DRAFT RED HERRING PROSPECTUS**

100% Book Built Offer

Dated: March 30, 2025

Please read Section 26 and 32 of the

Companies Act, 2013

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



**ZELIO E-MOBILITY LIMITED**

(Formerly known as Zelio Auto Private Limited)

CIN: U34102HR2021PLC096362

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
Shop No. 542, 1 <sup>st</sup> Floor, Auto Market, Hisar – 125001, Haryana, India	Khewat No. 510 442, Hisar Road, Ladwa, Hisar – 125006, Haryana, India	Priyanka Garg Company Secretary & Compliance Officer	<b>E-mail:</b> <a href="mailto:cs@zelioebikes.com">cs@zelioebikes.com</a> <b>Tel No:</b> +91 – 9254993057/ 9254071396	<a href="http://www.zelioebikes.com">www.zelioebikes.com</a>

<b>PROMOTERS OF THE COMPANY</b>	Niraj Arya, Kunal Arya, Deepak Arya and Sayuri Arya
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DETAILS OF THE OFFER				
TYPE	FRESH ISSUE SIZE	OFS SIZE (BY NO. OF SHARES OR BY AMOUNT IN ₹)	TOTAL OFFER SIZE	ELIGIBILITY
Fresh Issue and Offer for Sale	upto 52,80,000 Equity Shares aggregating up to ₹[●] lakhs	11,40,000 Equity shares aggregating to ₹[●] lakhs	64,20,000 Equity Shares aggregating to ₹[●] lakhs	This Offer is being made in terms of regulation 229(2) and 253(1) of chapter IX of the SEBI (ICDR) Regulations, 2018 as amended.

**DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION** – For further details see “Other Regulatory and Statutory Disclosures” on page 262 of this Draft Red Herring Prospectus.

Name of Promoter Selling Shareholder	Type	No. of Shares Offered	Weighted average cost of Acquisition (in ₹ per Equity Share)
Niraj Arya	Promoter	3,80,000	0.02
Kunal Arya	Promoter	3,80,000	0.02
Deepak Arya	Promoter	3,80,000	0.02

**RISK IN RELATION TO THE FIRST OFFER**

This being the first offer of the issuer, there has been no formal market for the securities of the issuer. The face value of the Equity Shares is ₹10. The Floor Price, Cap Price and Offer Price 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 Offer Price*” on page 92 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 Offer 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 Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer including the risks involved. The Equity Shares issued in the Offer 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 Draft Red Herring Prospectus. Specific attention of the investors is invited to the section “*Risk Factors*” beginning on page 29 of this Draft Red Herring Prospectus.

**ISSUER & PROMOTER SELLING SHAREHOLDERS ABSOLUTE RESPONSIBILITY**

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring 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 Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. Further, each of the Promoter Selling Shareholders, severally and not jointly, accepts responsibility for only such statements specifically confirmed or specifically undertaken by such Promoter Selling Shareholder in this Draft Red Herring Prospectus to the extent such statements specifically pertain to itself and/or its Offered Shares and confirms that such statements are true and correct in all material respects and are not misleading in any material respect. However, none of the Promoter Selling Shareholders assume any responsibility for any other statements, disclosures or undertakings, including without limitation, any and all of the statements, disclosures or undertakings made by or in relation to our Company, its business, or any other Promoter Selling Shareholder, in this Draft Red Herring Prospectus.

**LISTING**

The Equity Shares Issued through 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. For the purpose of this Offer, the Designated Stock Exchange will be the BSE Limited (“**BSE SME**”).

**BOOK RUNNING LEAD MANAGER TO THE OFFER**

NAME AND LOGO	CONTACT PERSON	EMAIL & TELEPHONE
HEM SECURITIES LIMITED	Ajay Jain	<b>Email:</b> <a href="mailto:jb@hemsecurities.com">jb@hemsecurities.com</a> <b>Tel. No.:</b> +91- 22- 4906 0000

**REGISTRAR TO THE OFFER**

NAME AND LOGO	CONTACT PERSON	EMAIL & TELEPHONE
MAASHITLA SECURITIES PRIVATE LIMITED	Mukul Agrawal	<b>Email:</b> <a href="mailto:ipo@maashitla.com">ipo@maashitla.com</a> <b>Tel No.:</b> 011-47581432

**BID/ OFFER PERIOD**

<b>ANCHOR PORTION OFFER OPENS/ CLOSES ON*:</b> [●]	<b>BID/ OFFER OPENS ON:</b> [●]	<b>BID/ OFFER CLOSES ON**:</b> [●]***
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\*Our Company, in consultation with the BRLM, may consider participation by Anchor Investors, in accordance with the SEBI (ICDR) Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Offer Opening Date.

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

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



ZELIO E-MOBILITY LIMITED

(Formerly known as Zelio Auto Private Limited)

CIN: U34102HR2021PLC096362

Our Company was originally incorporated as a private limited Company in the name of "Zelio Auto Private Limited" under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated on July 15, 2021 issued by the Registrar of Companies, Central Registration Centre, bearing CIN: U34102HR2021PTC096362. Further, pursuant to Special Resolution passed by the shareholders at the Extra Ordinary General Meeting held on October 25, 2024, the name of our Company was changed from "Zelio Auto Private Limited" to "Zelio E-Mobility Private Limited" and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Central Processing Centre vide letter dated November 21, 2024. Subsequently, our Company was converted into a Public Limited Company vide Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting, held on November 22, 2024 and consequently the name of our Company was changed from "Zelio E-Mobility Private Limited" to "Zelio E-Mobility Limited" vide a fresh certificate of incorporation consequent upon conversion from private company to public company dated November 29, 2024 issued by the Registrar of Companies, Central Processing Centre. Our Company's Corporate Identity Number is U34102HR2021PLC096362.

**Registered Office:** Shop No. 542, 1<sup>st</sup> Floor, Auto Market, Hisar – 125001, Haryana, India; **Corporate Office:** Khewat No. 510 442, Hisar Road, Ladwa, Hisar – 125006, Haryana, India.

**Tel No:** +91 – 9254993057/ 9254071396; **E-mail:** [cs@zelioebikes.com](mailto:cs@zelioebikes.com); **Website:** [www.zelioebikes.com](http://www.zelioebikes.com)

**Contact Person:** Priyanka Garg, Company Secretary & Compliance Officer

**Promoters of our Company:** Niraj Arya, Kunal Arya, Deepak Arya and Sayuri Arya

#### DETAILS OF THE OFFER

INITIAL PUBLIC OFFER OF UPTO 64,20,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH (THE "EQUITY SHARES") OF ZELIO E-MOBILITY LIMITED ("OUR COMPANY" OR "THE ISSUER") AT AN OFFER PRICE OF ₹[●] PER EQUITY SHARE (INCLUDING SHARE PREMIUM OF ₹[●] PER EQUITY SHARE) FOR CASH, AGGREGATING UP TO ₹[●] LAKHS ("PUBLIC OFFER") COMPRISING OF A FRESH ISSUE OF 52,80,000 EQUITY SHARES AGGREGATING TO ₹ [●] LAKHS (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF 11,40,000 EQUITY SHARES BY THE PROMOTER SELLING SHAREHOLDERS ("OFFER FOR SALE") AGGREGATING TO ₹ [●] LAKHS COMPRISING; 3,80,000 EQUITY SHARES AGGREGATING UP TO ₹[●] LAKHS BY NIRAJ ARYA; 3,80,000 EQUITY SHARES AGGREGATING UP TO ₹[●] LAKHS BY KUNAL ARYA AND 3,80,000 EQUITY SHARES AGGREGATING UP TO ₹[●] LAKHS BY DEEPAK ARYA (COLLECTIVELY REFERRED AS "PROMOTER SELLING SHAREHOLDERS") OUT OF WHICH [●] EQUITY SHARES OF FACE VALUE OF ₹10 EACH, AT AN OFFER PRICE OF ₹[●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹[●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE OFFER (THE "MARKET MAKER RESERVATION PORTION"). THE PUBLIC OFFER LESS MARKET MAKER RESERVATION PORTION I.E. OFFER OF [●] EQUITY SHARES OF FACE VALUE OF ₹10 EACH, AT AN OFFER PRICE OF ₹[●] PER EQUITY SHARE FOR CASH, AGGREGATING UPTO ₹[●] LAKHS IS HEREIN AFTER REFERRED TO AS THE "NET OFFER". THE PUBLIC OFFER AND NET OFFER WILL CONSTITUTE [●]% AND [●]% RESPECTIVELY OF THE POST- OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER, MAY CONSIDER A PRE-IPO PLACEMENT OF UP TO 6,60,000 EQUITY SHARES FOR CASH CONSIDERATION ("PRE-IPO PLACEMENT") PRIOR TO FILING OF THE RED HERRING PROSPECTUS WITH THE ROC. THE PRE-IPO PLACEMENT, IF UNDERTAKEN, WILL BE AT A PRICE TO BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER. IF THE PRE-IPO PLACEMENT IS UNDERTAKEN, THE NUMBER OF EQUITY SHARES ISSUED PURSUANT TO THE PRE-IPO PLACEMENT SHALL BE REDUCED FROM THE OFFER, SUBJECT TO COMPLIANCE WITH RULE 19(2)(B) OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957, AS AMENDED ("SCRR").

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM AND WILL BE ADVERTISED IN [●] EDITION OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND [●] EDITION OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER AND HISAR EDITION OF [●]), REGIONAL NEWSPAPER (HINDI BEING THE REGIONAL LANGUAGE OF HISAR WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO THE SME PLATFORM OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE EMERGE") FOR THE PURPOSES OF UPLOADING ON THEIR WEBSITE.

In case of any revision in the Price Band, the Bid/Offer Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company, for reasons to be recorded in writing extend the Bid/Offer Period for a minimum of one Working Days, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a press release and also by indicating the change on the website of the BRLM and at the terminals of the Members of the Syndicate and by intimation to Designated Intermediaries and Sponsor Bank.

The Offer is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 253 of the SEBI ICDR Regulations, as amended, wherein not more than 50% of the Net Offer shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs", the "QIB Portion"), provided that our Company may, in consultation with the Book Running Lead Managers, allocate up to 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% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net 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 Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% 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 Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders (1/3rd of the portion available to NIBs shall be reserved for applicants with an application size of more than 2 lots and upto such lots equivalent to not more than ₹ 10.00 Lakhs and 2/3rd of the portion available to NIBs shall be reserved for applicants with an application size of more than ₹ 10.00 Lakhs and the unsubscribed portion in either of the sub-categories, could be allocated to applicants in the other sub-category of NIBs) and not less than 35% of the Net Offer shall be available for allocation to Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilize the Application Supported by Blocked Amount ("ASBA") process providing details of their respective ASBA accounts, and UPI ID in case of Individual Investors using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For details, see "Offer Procedure" beginning on page 275 of this Draft Red Herring Prospectus.

#### ELIGIBLE INVESTORS

For details in relation to Eligible Investors, please refer to section titled "Offer Procedure" beginning on page 275 of this Draft Red Herring Prospectus.

#### RISK IN RELATION TO THE FIRST OFFER

This being the first Offer of the issuer, there has been no formal market for the securities of the issuer. The face value of the Equity Shares is ₹10. The Floor Price, Cap Price and Offer Price determined by our Company, in consultation with the Book Running Lead Managers, 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 offer Price" on page 92 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 offer 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 offer. For taking an investment decision, investors must rely on their own examination of our Company and the offer including the risks involved. The Equity Shares issued in the offer 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 Draft Red Herring Prospectus. Specific attention of the investors is invited to the section "Risk Factors" beginning on page 29 of this Draft Red Herring Prospectus.

#### ISSUER & PROMOTER SELLING SHAREHOLDERS ABSOLUTE RESPONSIBILITY

The Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to the Company and the offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring 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 Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. Further, each of the Promoter Selling Shareholders, severally and not jointly, accepts responsibility for only such statements specifically confirmed or specifically undertaken by such Promoter Selling Shareholder in this Draft Red Herring Prospectus to the extent such statements specifically pertain to itself and/or its Offered Shares and confirms that such statements are true and correct in all material respects and are not misleading in any material respect. However, none of the Promoter Selling Shareholders assume any responsibility for any other statements, disclosures or undertakings, including without limitation, any and all of the statements, disclosures or undertakings made by or in relation to our Company, its business, or any other Promoter Selling Shareholder, in this Draft Red Herring Prospectus.

#### LISTING

The Equity Shares Issued through 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 "in-principle" approval letter dated [●] from SME Platform of BSE Limited ("BSE SME") for using its name in the Offer Document for listing of our shares on the SME Platform of BSE Limited ("BSE SME"). For the purpose of this Offer, the Designated Stock Exchange will be the BSE Limited ("BSE").

#### BOOK RUNNING LEAD MANAGER TO THE OFFER

#### REGISTRAR TO THE OFFER

  
**HEM SECURITIES LIMITED**  
**Address:** 904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai-400013, Maharashtra, India.  
**Tel. No.:** +91- 22- 4906 0000  
**Email:** [ib@hemsecurities.com](mailto:ib@hemsecurities.com)  
**Investor Grievance Email:** [redressal@hemsecurities.com](mailto:redressal@hemsecurities.com)  
**Website:** [www.hemsecurities.com](http://www.hemsecurities.com)  
**Contact Person:** Ajay Jain  
**SEBI Registration Number:** INM000010981  
**CIN:** U67120RJ1995PLC010390

  
**MAASHITLA SECURITIES PRIVATE LIMITED**  
**Address:** 451, Krishna Apra Business Square, Netaji Subhash Place, Pitampura, New Delhi, 110034, India.  
**Tel No:** 011-47581432  
**Email:** [ipo@maashitla.com](mailto:ipo@maashitla.com)  
**Investor Grievance ID:** [investor.ipo@maashitla.com](mailto:investor.ipo@maashitla.com)  
**Contact Person:** Mukul Agrawal  
**Website:** [www.maashitla.com](http://www.maashitla.com)  
**SEBI Registration No.:** INR000004370  
**CIN:** U67100DL2010PTC208725

**BID/OFFER PERIOD****ANCHOR PORTION OFFER OPENS/CLOSES ON\*: [●]****BID/OFFER OPENS ON\*\*: [●]****BID/OFFER CLOSES ON\*\*\*: [●]\*\*\***

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

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

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

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**SECTION I – GENERAL****DEFINITIONS AND ABBREVIATIONS**

*This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline, policy, circular, notification, clarification, direction or policies shall be to such legislation, act, regulation, rule, guideline, policy, circular, notification or clarifications, modifications, replacements or reenactments thereto, as amended, from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.*

*The words and expressions used in this Draft Red Herring Prospectus but not defined herein, shall have, to the extent applicable the meaning ascribed to such terms under the Companies Act, 2013, the SEBI (ICDR) Regulations, 2018, the Securities Contracts Regulation Act, 1956 (“SCRA”), the Depositories Act or the rules and regulations made there under.*

*Notwithstanding the foregoing, terms used in of the sections “Statement of Special Tax Benefits”, “Financial Information of the Company” and “Main Provisions of the Articles of Association of our Company” on 98, 169 and 307 respectively, shall have the meaning ascribed to such terms in such sections.*

**General Terms**

<b>Terms</b>	<b>Description</b>
“ZEL”, “the Company”, “our Company”, “the Issuer” and “Zelio E-Mobility Limited”	Zelio E-Mobility Limited (Formerly known as Zelio Auto Private Limited), a Company in India incorporated under the Companies Act, 2013 and having its Registered office at Shop No. 542, 1 <sup>st</sup> Floor, Auto Market, Hisar – 125001, Haryana, India.
“we”, “us” and “our”	Unless the context otherwise indicates or implies, refers to our Company.
“you”, “your” or “yours”	Prospective investors in this Offer

**Company related and Conventional terms**

<b>Term</b>	<b>Description</b>
AOA/ Articles/ Articles of Association	Articles of Association of our Company, as amended, from time to time
Audit Committee	The Committee of the Board of Directors constituted as the Company’s Audit Committee in accordance with Section 177 of the Companies Act, 2013 as described in the chapter titled “ <b>Our Management</b> ” beginning on page 148 of this Draft Red Herring Prospectus.
Auditors/ Statutory Auditors	The current Statutory Auditors of our Company, namely, M/s. Murari Garg & Co, (Firm Registration No. as 013241N).
Bankers to our Company	HDFC Bank Limited
Board of Directors/ the Board/ our Board	Unless otherwise specified, The Board of Directors of our Company, as duly constituted from time to time, including any committee(s) thereof.
Chief Financial Officer/ CFO	Chief financial officer of our Company, namely, Shubham Garg.
Companies Act/ Act	The Companies Act, 2013 and amendments thereto and erstwhile Companies Act 1956 as applicable
Committee(s)	Duly constituted committee(s) of our Board of Directors
Company Secretary and Compliance Officer	Company secretary and compliance officer of our Company, namely, Priyanka Garg (M. No.: A49087.)
Corporate Office	The Corporate Office of our Company situated at Khewat No. 510 442, Hisar Road, Ladwa, Hisar – 125006, Haryana, India.
CSR Committee or Corporate Social Responsibility Committee	The corporate social responsibility committee of our Board, constituted in accordance with the Section 135 of the Companies Act and as described in the chapter titled “ <b>Our Management</b> ” beginning on page 148 of this Draft Red Herring Prospectus
CIN	Corporate Identification Number being U34102HR2021PLC096362
Depositories	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Director(s) / our Directors	The Director(s) of our Company, unless otherwise specified

Term	Description
DP/ Depository Participant	A depository participant as defined under the Depositories Act, 1996
DP ID	Depository's Participant's Identity Number
DIN	Directors Identification Number
Equity Shareholders/ Shareholders	Persons/ Entities holding Equity Shares of our Company
Equity Shares	Equity Shares of the Company of face value of ₹10/- each unless otherwise specified in the context thereof.
Executive Directors	Executive Directors are the Managing Director & Whole-time Directors of our Company.
Fugitive economic offender	Shall mean an individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018)
Group Company	Our group company identified in accordance with SEBI (ICDR) Regulations and in accordance with our Materiality Policy. For details, see section titled <b>"Our Group Company"</b> on page 246 of this Draft Red Herring Prospectus.
HUF	Hindu Undivided Family
Independent Director	Independent directors on our Board who are eligible to be appointed as independent director(s) under the provisions of the Companies Act, 2013 and the SEBI Listing Regulations. For details of our Independent Directors, see <b>"Our Management"</b> on page 148 of this Draft Red Herring Prospectus.
Indian GAAP	Generally Accepted Accounting Principles in India
ISIN	International Securities Identification Number. In this case being INE1B3501014.
IBC	The Insolvency and Bankruptcy Code, 2016
IFRS	International Financial Reporting Standards
Ind AS	Indian Accounting Standard
Ind GAAP	Generally Accepted Accounting Principles in India
IT Act	The Income Tax Act, 1961 as amended till date
JV / Joint Venture	A commercial enterprise undertaken jointly by two or more parties which otherwise retain their distinct identities.
Key Management Personnel/ KMP	Key Management Personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI Regulations and the Companies Act, 2013. For details, see section titled <b>"Our Management"</b> on page 148 of this Draft Red Herring Prospectus.
LLP	Limited Liability Partnership
MOA/ Memorandum/ Memorandum of Association	Memorandum of Association of Zelio E-Mobility Limited as amended from time to time.
MD or Managing Director	The Managing Director of our Company, Kunal Arya.
Materiality Policy	The policy adopted by the Board in its meeting dated February 12, 2025 and subsequently amended on March 15, 2025 for identification of (a) material outstanding litigation proceedings involving our Company, Directors and Subsidiaries; (b) Group Company; and (c) outstanding dues to material creditors by our Company, in accordance with the disclosure requirements under the SEBI (ICDR) Regulations, 2018 as amended from time to time.
Non-Executive Directors/ Nominee Directors	Non-executive directors on our Board. For details, see section titled <b>"Our Management"</b> on page 148 of this Draft Red Herring Prospectus
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board constituted in accordance with Section 178 of the Companies Act, 2013 as described in the chapter titled <b>"Our Management"</b> beginning on page 148 of this Draft Red Herring Prospectus
NRI's / Non-Resident Indians	A person resident outside India, as defined under Foreign Exchange Management Act, 1999 and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
Promoter(s)	Shall mean Promoters of our Company i.e. Niraj Arya, Kunal Arya, Deepak Arya and Sayuri Arya. For further details, please refer to section titled <b>"Our Promoter &amp; Promoter Group"</b> beginning on page 163 of this Draft Red Herring Prospectus.
Promoter Group	The persons and entities constituting the promoter group of our Company in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018 as enlisted in the section <b>"Our Promoter and Promoter Group"</b> beginning on page 163 of this Draft Red Herring Prospectus.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or

Term	Description
	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.
RBI Act	The Reserve Bank of India Act, 1934 as amended from time to time.
Registered Office	The Registered Office of our Company situated at Shop No. 542, 1 <sup>st</sup> Floor, Auto Market, Hisar – 125001, Haryana, India.
Reserve Bank of India/ RBI	Reserve Bank of India constituted under the RBI Act.
Restated Financial Information/ Statements	The Restated Financial statements of our Company comprising of the Restated Statement of Assets and Liabilities as at September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 and the Restated Statements of Profit and Loss and Cash Flows Statements for the period ended on September 30, 2024, and Fiscals ended March 31, 2024, March 31, 2023 and March 31, 2022 of our Company prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Revised Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, together with the schedules, notes and annexure thereto. For details, please refer section titled “ <i>Financial Information of the Company</i> ” on page 169 of this Draft Red Herring Prospectus.
RoC/ Registrar of Companies	Registrar of Companies, Delhi and Haryana at New Delhi
SEBI Act/ SEBI	Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI (ICDR) Regulations /ICDR Regulation/ Regulation	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI on September 11, 2018, as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI (Venture Capital) Regulations	Securities Exchange Board of India (Venture Capital) Regulations, 2000 as amended from time to time.
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended.
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended from time to time.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time.
SEBI PIT Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions, notifications and clarifications issued by SEBI from time to time.
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
SEBI Listing Regulations, 2015/ SEBI Listing Regulations/ Listing Regulations/ SEBI (LODR)	The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Takeover Regulations or SEBI (SAST) Regulations/ SEBI Takeover Regulations/ Takeover Regulations/ Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.
SEBI (PFUTP) Regulations/ PFUTP Regulations	Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003
Senior Management/ Senior Management Personnel/ SMP	Senior Management Personnel of our Company in accordance with Regulation 2(1) (bbbb) of the SEBI ICDR Regulations and as further disclosed in “Our Management” on page 148 of this Draft Red Herring Prospectus.
Stakeholders’ Relationship Committee	Stakeholders’ relationship committee of our Company constituted in accordance with Section 178 of the Companies Act, 2013 and as described in the chapter titled “ <i>Our Management</i> ” beginning on page 148 of this Draft Red Herring Prospectus.
Stock Exchange	Unless the context requires otherwise, refers to, BSE Limited
Shareholders	Shareholders of our Company from time to time.
Our Subsidiary Company/ Subsidiaries	The Company does not have any subsidiary as on the date of this Draft Red Herring Prospectus.

Term	Description
Sub- Account	Sub- accounts registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
Subscriber to MOA	Initial Subscribers to MOA being Niraj Arya, Kunal Arya and Deepak Arya.

**Offer Related Terms**

Terms	Description
Applicant	Any prospective investor who makes an application for Equity Shares in terms of this Draft Red Herring Prospectus
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 a bidders as proof of registration of the Application.
Allotment/ Allot/ Allotted	Unless the context otherwise requires, means the allotment of Equity Shares, pursuant to the Offer to the successful bidders.
Allotment Advice	A note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee (s)	A successful bidders to whom the Equity Shares are allotted.
Anchor Investor(s)	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI (ICDR) Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹ 200 lakhs.
Anchor Escrow Account /Escrow Account(s)	Account opened with Anchor Escrow Bank for the Offer and in whose favour the Anchor Investors will transfer money through direct credit or NEFT or RTGS in respect of the Bid Amount when submitting a Bid.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Lead Managers during the Anchor Investor Bid/ Offer Period.
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus
Anchor Investor Bid/ Offer Period	One Working Day prior to the Bid/ Offer Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to the Anchor Investors shall be completed.
Anchor Investor Offer Price	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, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company, in consultation with the Book Running Lead Manager.
Anchor Investor Portion	Upto 60% of the QIB Portion which may be allocated by our Company, in consultation with the Book Running Lead Managers, to the Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations. 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 Allocation Price, in accordance with the SEBI (ICDR) Regulations.
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Offer Price, not later than two Working Days after the Bid/ Offer Closing Date.
Application Amount	The amount at which the Applicant makes an application for the Equity Shares of our Company in terms of Draft Red Herring Prospectus.
Application Supported by Block Amount (ASBA)	An application, whether physical or electronic, used by ASBA Bidders, to make a Bid and authorising an SCSB to block the Bid Amount in the ASBA Account and will include amounts blocked by the SCSB upon acceptance of UPI Mandate Request by the UPI Bidders using the UPI Mechanism.
ASBA Account	A bank account maintained by ASBA Bidders with an SCSB and specified in the ASBA Form submitted by such ASBA Bidder in which funds will be blocked by such SCSB to the extent of



Terms	Description
	the specified in the ASBA Form submitted by such ASBA Bidder and includes a bank account maintained by a Individual Investor linked to a UPI ID, which will be blocked in relation to a Bid by a Individual Investor Bidding through the UPI Mechanism.
ASBA Application Location(s)/ Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata and Ahmedabad.
ASBA Bidder	Any prospective investor(s) / Bidder (s) in this Offer who apply(ies) through the ASBA process except Anchor Investor.
ASBA Form/ Bid cum Application	An Application form (with or without UPI ID, as applicable), whether physical or electronic, used by Bidders which will be considered as the application for Allotment in terms of the Red Herring Prospectus or the Prospectus.
Banker to the Offer Agreement	Agreement dated [●] entered into amongst the Company, Promoter Selling Shareholders, Book Running Lead Manager, the Registrar, Sponsor Bank and the Banker to the Offer.
Bankers to the Offer / Public Offer Bank/ Sponsor Bank	Banks which are clearing members and registered with SEBI as Bankers to an Offer and with whom the Public Offer Account will be opened, in this case being [●]
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful bidders under the Offer and which is described in the chapter titled “ <i>Offer Procedure</i> ” beginning on page 275 of this Draft Red Herring Prospectus.
Bid	An indication to make an offer during the Bid/ Offer Period by a Bidder (other than an Anchor Investor) pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/ Offer Period by an Anchor Investor, pursuant to submission of the Anchor Investor Application 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 Red Herring Prospectus and the Bid cum Application Form. The term “Bidding” shall be construed accordingly.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and in the case of Individual Bidders who applies for minimum application Size Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Individual Bidder and payable by the Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Offer.
Bid Lot	[●] equity shares of face value of ₹10/ each and in multiples of [●] equity shares of face value of ₹10/ each thereafter.
Bid/ Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Syndicate, the Designated Branches and the Registered Brokers shall not accept the Bids, which shall be notified in in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Hisar edition of Regional newspaper [●] where the registered office of the company is situated, each with wide circulation, and in case of any revision, the extended Bid/ Offer closing Date also to be notified on the website and terminals of the Syndicate, SCSB’s and Sponsor Bank, as required under the SEBI (ICDR) Regulations.
Bid/ Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids, which shall be notified in in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Hisar edition of Regional newspaper [●] where the registered office of the company is situated, each with wide circulation, and in case of any revision, the extended Bid/ Offer Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI (ICDR) Regulations.
Bid/ Offer Period	Except in relation to any Bids received from the Anchor Investors, the period between the Bid/ Offer Opening Date and the Bid/ Offer Closing Date or the QIB Bid/ Offer Closing Date, as the case may be, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof. Provided however that the Bidding/ Offer Period shall be kept open for a minimum of three Working Days for all categories of Bidders.
Bidder/Investor/Applicant	Any prospective investor who makes a bid pursuant to the terms of the Draft Red Herring Prospectus and the Bid-Cum-Application Form and unless otherwise stated or implied, which includes an ASBA Bidder and an Anchor Investor
Bidding	The process of making a Bid.
Bidding/ Collection Centers	Centers at which the Designated intermediaries shall accept the ASBA Forms, i.e., Designated SCSB Branches for SCSBs, specified locations for syndicates, broker centers for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs.

<b>Terms</b>	<b>Description</b>
Book Building Process/ Book Building Method	Book building process, as provided in Part A of Schedule XIII of the SEBI (ICDR) Regulations, in terms of which the Offer is being made
BRLM / Book Running Lead Manager	Book Running Lead Manager to the Offer in this case being Hem Securities Limited, SEBI Registered Category-I Merchant Banker.
Broker Centres	Broker Centres notified by the Stock Exchanges, where the investors can submit the Bid-cum Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange.
Business Day	Monday to Friday (except public holidays).
CAN or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful Applicant indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange.
Cap Price	The higher end of the price band above which the Offer Price will not be finalized and above which no Bids (or a revision thereof) will be accepted.
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 Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the UPI Circulars issued by SEBI, as per the list available on the websites of the Stock Exchanges, i.e., <a href="http://www.bseindia.com">www.bseindia.com</a> , as updated from time to time.
Collecting Registrar and Share Transfer Agent	Registrar to an Offer and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA 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 Offer and the Stock Exchange.
Cut Off Price	The Offer Price, which shall be any price within the Price band as finalized by our Company in consultation with the BRLM. Only Individual Investors 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.
Demographic Details	The demographic details of the applicants such as their Address, PAN, name of the applicants father/husband, investor status, Occupation and Bank Account details.
Depositor/ Depositories	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Designated CDP Locations	Such locations of the CDPs where Applicant (other than Anchor Investor) can submit 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 i.e., <a href="http://www.bseindia.com">www.bseindia.com</a> , as updated from time to time.
Designated Date	The date on which funds are transferred from the Escrow Account(s) and the amounts blocked are transferred from the ASBA Accounts, as the case may be, to the Public Offer Account(s) or the Refund Account(s), as applicable, in terms of the Red Herring Prospectus and the Prospectus, after the finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange, following which Equity Shares may be Allotted to successful Bidders in the Offer.
Designated Intermediaries/ Collecting Agent	An SCSB's with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Stock Broker registered with recognized Stock Exchange, a Depository Participant, a registrar to an Offer and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity).
Designated Market Maker	[●]
Designated RTA Locations	Such locations of the RTAs where Bidder (other than Anchor Investor) 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 websites of the Stock Exchange i.e., <a href="http://www.bseindia.com">www.bseindia.com</a> , as updated from time to time.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Application Form from the Applicant and a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a>

Terms	Description
	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's Participant's Identity Number
DP/ Depository Participant	A depository participant as defined under the Depositories Act, 1996
Draft Red Herring Prospectus	Draft Red Herring Prospectus dated March 30, 2025 issued in accordance with Sections 26 & 32 of the Companies Act, 2013
Electronic Transfer of Funds	Refunds through NACH, NEFT, Direct Credit or RTGS as applicable.
Eligible NRI	A Non-Resident Indian in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom this Draft Red Herring Prospectus will constitute an invitation to subscribe for the Equity Shares.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an Offer or invitation under the Offer and in relation to whom the Draft Red Herring Prospectus constitutes an invitation to purchase the Equity shares offered thereby and who have opened Demat accounts with SEBI registered qualified depository participants.
Escrow Account(s)	The account(s) to be opened with the Escrow Collection Bank and in whose favour the Anchor Investors will transfer money through NACH/direct credit/ NEFT/ RTGS in respect of the Bid Amount when submitting a Bid.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
FII/ Foreign Institutional Investors	Foreign Institutional Investor as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First Bidder/ Applicant/ Bidders	Bidder(s) whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1) (III) of the SEBI (ICDR) Regulations.
FPI/ Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the of 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
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
General Corporate Purposes	Include such identified purposes for which no specific amount is allocated or any amount so specified towards general corporate purpose or any such purpose by whatever name called, in the offer document. Provided that any Offer related expenses shall not be considered as a part of general corporate purpose merely because no specific amount has been allocated for such expenses in the offer document.
General Information Document (GID)	The General Information Document for investing in public offers, prepared and issued in accordance with the SEBI circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 and the circular no. SEBI / HO / CFD / DIL2 / CIR / P / 2020 / 50 dated March 30, 2020, as amended by SEBI from time to time and the UPI Circulars. The General Information Document shall be available on the websites of the Stock Exchanges, and the Book Running Lead Managers.
Individual Bidders/ Individual Investors/	Individual Bidders, submitting Bids, who applies for minimum application size for two lots. Provided that the minimum application size shall be above ₹ 2,00,000/- (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs).
Individual Investor Portion	The portion of the Offer being not less than 35% of the Net Offer, consisting of [●] Equity Shares of face value of ₹10/ each, available for allocation to Individual Bidders.
Offer Agreement	The Offer Agreement dated March 20, 2025 between our Company, Promoter Selling Shareholders and Book Running Lead Manager, Hem Securities Limited.

Terms	Description
Offer Price	The Price at which the Equity Shares are being Offered by our Company under this Draft Red Herring Prospectus being ₹[●] per Equity share, as determined by our Company and the Promoter Selling Shareholders, in consultation with the BRLM.
Offer Proceeds	Proceeds to be raised by our Company through this offer, for further details please refer chapter titled <b>“Objects of the offer”</b> beginning on page 81 of this Draft Red Herring Prospectus
Offer/ Public Offer / Offer size/ Initial Public Offer/ Initial Public Offering/ IPO	<p>The initial public offer of up to 64,20,000 Equity Shares aggregating up to ₹ [●] lakhs comprising of a Fresh Offer of up to 52,80,000 Equity Shares and the Offer for Sale of up to 11,40,000 Equity Shares by Promoter Selling Shareholders.</p> <p>Our Company, in consultation with the BRLM, may consider a Pre -IPO placement of up to 6,60,000 Equity Shares prior to filing of the Red Herring Prospectus with the RoC. The Pre- IPO Placement, if undertaken will be at a price to be decided by our Company, in consultation with the BRLM. If the Pre-IPO Placement is undertaken, the number of Equity Shares issued pursuant to the Pre-IPO Placement will be reduced from the Offer, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre- IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the offer, our Company shall appropriately intimate the subscribers to the Pre- IPO Placement, prior to allotment pursuant to the Pre- IPO Placement, that there is no guarantee that our Company may proceed with the offer, or the offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Details of Pre-IPO Placement, if undertaken shall be included in the Red Herring Prospectus and Prospectus.</p> <p>The Offer comprises the Market Maker Reservation Portion.</p>
Offer for sale	The offer for sale component of the Offer, comprising of an offer for sale of up to 11,40,000 Equity Shares at ₹[●] per Equity Share aggregating up to ₹[●] lakhs by Promoter Selling Shareholders.
Offered Shares	Offer of up to 11,40,000 Equity shares aggregating to Rs [●] lakhs being offered for sale by the Promoter selling shareholders in the offer.
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and the Stock Exchange.
Lot Size	[●]
Mandate Request	Mandate Request means a request initiated on the Individual Investor by sponsor bank to authorize blocking of funds equivalent to the application amount and subsequent debit to funds in case of allotment.
Market Maker Reservation Portion	The reserved portion of [●] Equity Shares of ₹10 each at an Offer price of ₹ [●] each is aggregating to ₹ [●] Lakhs to be subscribed by Market Maker in this Offer.
Market Making Agreement	The Market Making Agreement dated [●] between our Company, Book Running Lead Manager and Market Maker, [●].
Mutual Fund Portion	5% of the Net QIB Portion, or [●] Equity Shares, which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Offer Price.
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Net Offer	The Offer (excluding the Market Maker Reservation Portion) of [●] equity Shares of ₹10/- each at a price of ₹ [●] per Equity Share (the <b>“Offer Price”</b> ), including a share premium of ₹ [●] per equity share aggregating to ₹ [●] Lakhs.
Net Proceeds	The Offer Proceeds received from the fresh Offer excluding Offer related expenses. For further information on the use of Offer Proceeds and Offer expenses, please refer to the section titled <b>“Objects of the Offer”</b> beginning on page 81 of this Draft Red Herring Prospectus.
NCLT	National Company Law Tribunal
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors
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).
Non- Resident	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs
Non-Institutional Bidders	All Applicants, including Category III FPIs that are not QIBs or Individual Investors who have made Application for Equity Shares for more than two lots (but not including NRIs other than Eligible NRIs).
BSE	BSE Limited

Terms	Description
BSE SME	SME Platform of BSE Limited as per the Rules and Regulations laid down by SEBI for listing of equity shares
Non-Institutional Portion	The portion of the Offer being not less than 15% of the Offer, consisting of [●] Equity Shares, of which (a) 1/3 <sup>rd</sup> of the portion available to NIBs shall be reserved for applicants with an application size of more than two lots and up to such lots equivalent to not more than ₹10 lakhs and (b) 2/3 <sup>rd</sup> of the portion available to NIBs shall be reserved for applicants with an application size of more than ₹ 10 lakhs (a) one third of portion the Non-Institutional Portion available for allocation to Bidders with an application size of more than two lots and up to such lots equivalent to not more than ₹ 10 lakhs and (b) two third of the Non-Institutional Portion available for allocation to bidders with an application size of more than ₹ 10 lakhs, subject to valid Bids being received at or above the Offer Price.
Other Investor	Investors other than Individual Investors. These include individual applicants who applies for more than two lots and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Overseas Corporate Body/ OCB	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Offer.
Pay-in-Period	The period commencing on the Bid/ Offer Opening date and extended till the closure of the Anchor Investor Pay-in-Date.
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable.
Person/ 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.
Pre-IPO Placement	Our Company, in consultation with the BRLM, may consider a Pre-IPO placement of up to 6,60,000 Equity Shares of face value of ₹10/- each prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is undertaken, the number of Equity Shares issued pursuant to the Pre-IPO Placement will be reduced from the Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre- IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Issue, our Company shall appropriately intimate the subscribers to the Pre- IPO Placement, prior to allotment pursuant to the Pre- IPO Placement, that there is no guarantee that our Company may proceed with the Issue, or the Issue may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Details of Pre-IPO Placement, if undertaken shall be included in the Red Herring Prospectus and Prospectus.
Price Band	Price Band of a minimum price (Floor Price) of ₹[●] and the maximum price (Cap Price) of ₹[●] and includes revisions thereof. The Price Band will be decided by our Company in consultation with the BRLM and advertised in two national daily newspapers (one each in English and in Hindi) with wide circulation and one daily regional newspaper with wide circulation at least two working days prior to the Bid/ Offer Opening Date.
Pricing Date	The date on which our Company in consultation with the BRLM, will finalize the Offer Price.
Prospectus	The Prospectus, to be filed with the Registrar of Companies in accordance with the provisions of Section 26 & 32 of the Companies Act, 2013, containing, inter alia, the Offer Price, size of the Offer and certain other information.
Public Offer Account	The bank account opened with the Public Offer Account Bank under Section 40(3) of the Companies Act, 2013, to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date.
Public Offer Account Bank	Bank which is a clearing member and registered with SEBI as a banker to an Offer, and with whom the Public Offer Account(s) will be opened
QIB Category/ QIB Portion	The portion of the Net Offer (including the Anchor Investor Portion) being not more than 50% of the Net Offer, consisting of [●] Equity Shares aggregating to ₹[●] lakhs which shall be Allotted to QIBs (including Anchor Investors) on a proportionate basis, including the Anchor Investor Portion

Terms	Description
	(in which allocation shall be on a discretionary basis, as determined by our Company in consultation with the BRLMs), subject to valid Bids being received at or above the Offer Price or Anchor Investor Offer Price (for Anchor Investors).
Qualified Institutional Buyers/ QIBs/ QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI (ICDR) Regulations.
Red Herring Prospectus / RHP	The Red Herring Prospectus to be 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 offered and the size of the Offer including any addenda or corrigenda thereto. The Red Herring Prospectus will be filed with the Registrar of Companies at least three Working Days before the Bid/ Offer Opening Date and will become the Prospectus upon filing with the Registrar of Companies after the Pricing Date
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.
Refund Bank/ Refund Banker	Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Offer at which the Refund Account will be opened, in this case being [●].
Refund through electronic transfer of funds	Refunds through NECS, direct credit, RTGS or NEFT, as applicable.
Registered Broker	The stockbrokers registered with the stock exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids
Registrar Agreement	The agreement dated March 21, 2025 entered into between our Company, Promoter Selling Shareholders and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer.
Registrar and Share Transfer Agents or RTAs	The registrar and share transfer agents registered with SEBI and eligible to procure Bids from relevant Bidders at the Designated RTA Locations in terms of SEBI circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI and available on the websites of the Stock Exchanges at <a href="http://www.nseindia.com">www.nseindia.com</a> and <a href="http://www.bseindia.com">www.bseindia.com</a>
Registrar/ Registrar to the Offer / RTA/ RTI	Registrar to the Offer, in this case being Maashitla Securities Private Limited.
Regulation S	Regulation S under the U.S. Securities Act of 1933, as amended from time to time.
Reservation Portion	The portion of the Offer reserved for category of eligible Applicants as provided under the SEBI (ICDR) Regulations, 2018.
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Resident Indian	A person resident in India, as defined under FEMA
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s), as applicable. QIB Bidders and Non-Institutional Investors are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Individual Investors and Eligible Employees can revise their Bids during the Bid/ Offer Period and withdraw their Bids until the Bid/ Offer Closing Date.
Securities laws	Means the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and the rules and regulations made thereunder and the general or special orders, guidelines or circulars made or issued by the Board thereunder and the provisions of the Companies Act, 2013 or any previous company law and any subordinate legislation framed thereunder, which are administered by the Board.
SEBI (ICDR) Regulations/ ICDR Regulation/ Regulation	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI on September 11, 2018, as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI (Venture Capital) Regulations	Securities Exchange Board of India (Venture Capital) Regulations, 1996 as amended from time to time.
SEBI Act/ SEBI	Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Listing Regulations, 2015/ SEBI Listing	The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.

Terms	Description
Regulations/ Regulations/ SEBI (LODR)	Listing
SEBI Takeover Regulations or SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.
Self-Certified Bank(s) / SCSB(s)	<p>Syndicate</p> <p>The banks registered with SEBI, offering services (i) in relation to ASBA (other than through UPI Mechanism), a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> or <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a>, as applicable, or such other website as updated from time to time, and (ii) in relation to ASBA (through UPI Mechanism), a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as may be prescribed by SEBI and updated from time to time</p> <p>In relation to Bids (other than Bids by Anchor Investor) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (<a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a>) and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> as updated from time to time.</p> <p>In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated April 5, 2022, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, read with other applicable UPI Circulars, UPI Bidders bidding through UPI Mechanism may apply through the SCSBs and mobile applications, using UPI handles, whose names appears on the SEBI website. A list of SCSBs and mobile applications, which, are live for applying in public issues using UPI mechanism is provided in the list available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a> and updated from time to time and at such other websites as may be prescribed by SEBI from time to time</p>
SME Exchange	Shall means a trading platform of a recognised stock exchange having nationwide trading terminals permitted by the SEBI to list the specified securities issued in accordance with Chapter IX of SEBI ICDR and includes a stock exchange granted recognition for this purpose but does not include the Main Board.
Specified Locations	The Bidding centres where the Syndicate shall accept Bid cum Application Forms from relevant Bidders, a list of which is available on the website of SEBI ( <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> ), and updated from time to time
Specified Securities	Equity shares offered through this Draft Red Herring Prospectus.
Sponsor Bank	[●], being Bankers to the Offer registered with SEBI, appointed by our Company to act as conduits between the Stock Exchanges and NPCI (National Payments Corporation of India) in order to push the mandate collect requests and / or payment instructions of the Individual Investors using the UPI Mechanism, in terms of the UPI Circulars
Sub Syndicate Member	A SEBI Registered member of BSE appointed by the BRLM and/ or syndicate member to act as a Sub Syndicate Member in the Offer.
Syndicate	Includes the BRLM, Syndicate Members and Sub Syndicate Members.
Syndicate Agreement	The agreement dated [●] entered into amongst our Company, promoter selling shareholders, the BRLM and the Syndicate Members, in relation to the collection of Bids in this Offer.
Syndicate ASBA Bidding Locations	Bidding Centers where an ASBA Bidder can submit their Bid in terms of SEBI Circular no. CIR/CFD/DIL/1/2011 dated April 29, 2011, namely Mumbai, Chennai, Kolkata, Delhi
Syndicate Members/ Members of the Syndicate	Intermediaries registered with SEBI eligible to act as a syndicate member and who is permitted to carry on the activity as an underwriter, in this case being [●].
Systemically Important Non-Banking Financial Company	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI (ICDR) Regulations.
SCORES	Securities and Exchange Board of India Complaints Redress System
Transaction Registration Slip/ TRS	The slip or document issued by the member of the Syndicate or SCSB (only on demand) as the case may be, to the Applicant as proof of registration of the Application.

<b>Terms</b>	<b>Description</b>
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Underwriter	The BRLM who has underwritten this Offer pursuant to the provisions of the SEBI (ICDR) Regulations, 2018 and the Securities and Exchange Board of India (Underwriters) Regulations, 1993, as amended from time to time.
Underwriting Agreement	The Underwriting Agreement [●] entered between the Underwriter, BRLM, Promoter Selling shareholders and our Company.
UPI	UPI is an instant payment system developed by the NPCI, it enables merging several banking features, seamless fund routing & merchant payment into one hood. UPI allow instant transfer of money between any two bank accounts using a payment address which uniquely identifies a person's bank account
UPI Circulars	SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI Circular No. SEBI/HO/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, along with the circular issued by the NSE having reference no. 23/2022 dated July 22, 2022 and reference no. 25/2022 dated August 3, 2022 and the notice issued by BSE having reference no. 20220722- 30 dated July 22, 2022 and reference no. 20220803-40 dated August 3, 2022 and the circular issued by BSE Limited having reference no. 20220803-40 dated August 3, 2022 (to the extent any of these circulars are not rescinded by the SEBI RTA Master Circular 2024) and any subsequent circulars or notifications issued by SEBI in this regard.
UPI ID	ID created on the UPI for single-window mobile payment system developed by the NPCI
UPI Mandate Request/ Mandate Request	A request (intimating the Individual Investor by way of notification on the UPI application and by way of a SMS directing the Individual Investor to such UPI application) to the Individual Investor by sponsor bank to authorize blocking of funds equivalent to the application amount and subsequent debit to funds in case of allotment.
UPI Mechanism	The mechanism that was used by an Individual Bidders to make a Bid in the Offer in accordance with the UPI Circulars on Streamlining of Public Issues
UPI PIN	Password to authenticate UPI transaction
Venture Capital Fund/ VCF	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
WACA	Weighted average cost of acquisition.
Wilful Defaulter(s)	Wilful defaulter as defined under Regulation 2(1) (III) of the SEBI (ICDR) Regulations, 2018.
Working Day	In accordance with Regulation 2(1) (mmm) of SEBI (ICDR) Regulations, 2018, working days' means, all days on which commercial banks in Mumbai are open for business. However, in respect of— (a) announcement of Price Band; and (b) Offer period, working days shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; (c) the time period between the Bid/ Offer Closing Date and the listing of the Equity Shares on the Stock Exchange, working day shall mean all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI.
Warehouse	Warehouse of Company situated at Balsamand Road, 872, Near Goyal Steel Tubes, Vill Chandan Nagar, Hisar – 125001, Haryana, India

### **Technical and Industry Related Terms**

<b>Term</b>	<b>Description</b>
2W	Two-wheel vehicles
3W	Three Wheelers
AAJ	Antyodaya Ann Yojna



<b>Term</b>	<b>Description</b>
ARAI	Automotive Research Association of India
B2B	Business to Business
BC	Belt Conveyer
BIS	Bureau of Indian Standards
CAD	Current Account Deficit
CII	Confederation of Indian Industry
CKD	Complete Knock Down
CPI	Consumer Price Index
CPI-C	Consumer Price Index – Common
DG	Diesel Generator
DGCA	Directorate General of Civil Aviation
DII	Domestic Institutional Investors
e-2 Wheelers/ e-2W/ E-2W	Electric Two Wheelers
e-3 Wheelers/ e-3W/ E-3W	Electric Three Wheelers
e-4 Wheelers/ e-4W/ E-4W	Electric Four Wheelers
E-bike	Electric Bike
e-Buses	Electric Buses
EMDEs	Emerging Market AND Developing Economies
EV	Electric Vehicle
FAME	Faster Adoption and Manufacturing Electric Vehicles
FQC	Final Quality Control Check
GW	Gigawatts
HFI	High-Frequency Indicators
IBEF	Indian Brand Equity Foundation
ICAT	International Centre for Automotive Technology
ICE	Internal Combustion Engine
IIT	Indian Institute of Technology
IPQC	In-Process Quality Control
IQC	Incoming Quality Control
ISO	International Standard Organisation
KMS	Kharif Marketing Season
KPI	Key performance indicators
Kva	Kilovolt-ampere
LIC's	Low Income Countries
LMT	Lakh Metric Tonne
MeitY	Ministry of Electronics & Information Technology
MoSPI	Ministry of Statistics & Programme Implementation
NATRAX	National Automotive Test Tracks
NEVs	New Energy Vehicles
NITI	National Institution for Transforming India
OEM	Original Equipment Manufacturer
PDI	Pre-Delivery Inspections
PE-VC	Private Equity – Venture Capital
PHH	Primary Household
PLI	Production Linked Incentive
PM-DevINE	Prime Minister's Development Initiative for North-East Region
PMGKAY	Pradhan Mantri Garib Kalyan Ann Yojana
QC	Quality Control
QMS	Quality Management System
RMI	Rocky Mountain Institute
RMS	Rabi Marketing Season
SIAM	Society of Indian Automobile Manufacturers
VAHAN	VAHAN Portal of Ministry of Road Transport and Highways
VIN	Vehicle Identification Number

Term	Description
WMI	World Manufacturer Identifier
YoY	Year over Year
ZEV	Zero Emission Vehicle

### **Conventional terms and General Terms or Abbreviations**

Abbreviation	Full Form
Rs./ Rupees/ INR/ ₹	Indian Rupees
AS / Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
A/c	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
ASBA	Applications Supported by Blocked Amount
Amt.	Amount
AIF	Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
AY	Assessment Year
AOA	Articles of Association
Approx.	Approximately
B. A	Bachelor of Arts
B. Com	Bachelor of Commerce
B. E	Bachelor of Engineering
B. Sc.	Bachelor of Science
B. Tech	Bachelor of Technology
Bn	Billion
BG/LC	Bank Guarantee / Letter of Credit
BIFR	Board for Industrial and Financial Reconstruction
BRLM	Book Running Lead Manager
BSE	BSE Limited
CDSL	Central Depository Services (India) Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation of Allocation Note
Companies Act, 2013	Companies Act, 2013 to the extent in force pursuant to the notification of sections of the Companies Act, 2013 along with the relevant rules made thereunder as amended.
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions that have ceased upon notification of the Companies Act, 2013) along with the relevant rules made thereunder.
CA	Chartered Accountant
Client ID	Client identification number of the Bidder's beneficiary account
CAIIB	Certified Associate of Indian Institute of Bankers
CB	Controlling Branch
CC	Cash Credit
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CS	Company Secretary
CS & CO	Company Secretary & Compliance Officer
CFO	Chief Financial Officer
CSR	Corporate Social Responsibility
C.P.C.	Code of Civil Procedure, 1908
CrPC	Code of Criminal Procedure, 1973
CENVAT	Central Value Added Tax
CST	Central Sales Tax
CWA/ICWA	Cost and Works Accountant
CMD	Chairman and Managing Director
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce, Government of India

<b>Abbreviation</b>	<b>Full Form</b>
DP	Depository Participant
Depositories Act	The Depositories Act, 1996, read with the rules, regulations, clarifications and modifications Thereunder
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018
DP ID	Depository Participant's Identification Number
EBITDA	Earnings Before Interest, Taxes, Depreciation & Amortization
ECS	Electronic Clearing System
ESIC	Employee's State Insurance Corporation
EPFA	Employee's Provident Funds and Miscellaneous Provisions Act, 1952
EMI	Equated Monthly Installment
EPS	Earnings Per Share
EGM /EOGM	Extraordinary General Meeting
ESOP	Employee Stock Option Plan
EXIM/ EXIM Policy	Export – Import Policy
FCNR Account	Foreign Currency Non Resident (Bank) account established in accordance with the provisions of FEMA
FIPB	Foreign Investment Promotion Board
FY / Fiscal/Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
FEMA	Foreign Exchange Management Act, 1999 as amended from time to time, and the regulations framed there under.
FBT	Fringe Benefit Tax
FDI	Foreign Direct Investment
FIs	Financial Institutions
FIIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FPIs	Foreign Portfolio Investor" means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities And Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act, 1992
FTA	Foreign Trade Agreement
FVCI	Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
FEMA	Foreign Exchange Management Act, 1999, including the rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Finance Act	Finance Act, 1994
Fraudulent Borrower	A fraudulent borrower as defined in Regulation 2(1) (III) of the SEBI (ICDR) Regulations.
FV	Face Value
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
GoI/Government	Government of India
GDP	Gross Domestic Product
GIR Number	General Index Registry Number
GST	Goods and Services Tax
GVA	Gross Value Added
HUF	Hindu Undivided Family
HNI	High Net Worth Individual
HSL	Hem Securities Limited
IBC	The Insolvency and Bankruptcy Code, 2016
ICAI	The Institute of Chartered Accountants of India
ISIN	International Securities Identification Number
IST	Indian Standard Time
ICWAI	The Institute of Cost Accountants of India
IMF	International Monetary Fund

<b>Abbreviation</b>	<b>Full Form</b>
IIP	Index of Industrial Production
IPO	Initial Public Offer
ICSI	The Institute of Company Secretaries of India
IT Act	The Information Technology Act, 2000
IFRS	International Financial Reporting Standards
INR / ₹/ Rupees	Indian Rupees, the legal currency of the Republic of India
I.T. Act	Income Tax Act, 1961, as amended from time to time
IT Authorities	Income Tax Authorities
IT Rules	Income Tax Rules, 1962, as amended, except as stated otherwise
Indian GAAP	Generally Accepted Accounting Principles in India notified under Section 133 of the Companies Act 2013 and read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016
Ind AS	Indian Accounting Standards as referred to in and notified by the Ind AS Rules
Ind AS Rules	The Companies (Indian Accounting Standard) Rules, 2015
IRDA	Insurance Regulatory and Development Authority
JV/ Joint Venture	A commercial enterprise undertaken jointly by two or more parties which otherwise retain their distinct identities.
KMP	Key Managerial Personnel
LLB	Bachelor of Law
Ltd.	Limited
LLP	Limited Liability Partnership
MAT	Minimum Alternate Tax
MoF	Ministry of Finance, Government of India
MoU	Memorandum of Understanding
M. A	Master of Arts
MCA	Ministry of Corporate Affairs, Government of India
M. B. A	Master of Business Administration
MAT	Minimum Alternate Tax
M. Com	Master of Commerce
Mn	Million
M. E	Master of Engineering
M. Tech	Masters of Technology
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MSME	Micro, Small and Medium Enterprises
MAPIN	Market Participants and Investors Database
NA	Not Applicable
NCLT	National Company Law Tribunal
Net-worth	The aggregate of paid up Share Capital and Share Premium account and Reserves and Surplus (Excluding revaluation reserves) as reduced by aggregate of Miscellaneous Expenditure (to the extent not written off) and debit balance of Profit & Loss Account
NACH	National Automated Clearing House
NEFT	National Electronic Funds Transfer
NECS	National Electronic Clearing System
NAV	Net Asset Value
NCT	National Capital Territory
NPV	Net Present Value
NRIs	Non-Resident Indians
NRE Account	Non-Resident External Account
NRO Account	Non-Resident Ordinary Account
NSE	National Stock Exchange of India Limited
NOC	No Objection Certificate
NSDL	National Securities Depository Limited
OCB 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 the beneficial

<b>Abbreviation</b>	<b>Full Form</b>
	interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in the Offer.
P.A.	Per Annum
PF	Provident Fund
PG	Post Graduate
PGDBA	Post Graduate Diploma in Business Administration
PLR	Prime Lending Rate
PAC	Persons Acting in Concert
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
P.O.	Purchase Order
PBT	Profit Before Tax
PLI	Postal Life Insurance
POA	Power of Attorney
PSU	Public Sector Undertaking(s)
Pvt.	Private
Q.C.	Quality Control
RoC	Registrar of Companies
RBI	The Reserve Bank of India
Registration Act	Registration Act, 1908
ROE	Return on Equity
R&D	Research & Development
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
SAR	Stock Appreciation Rights
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SME	Small and Medium Enterprises
SCSB	Self-Certified syndicate Banks
STT	Securities Transaction Tax
Sub-Account	Sub-accounts registered with SEBI under the SEBI (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
Sec.	Section
SPV	Special Purpose Vehicle
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
Trade Marks Act	Trade Marks Act, 1999
TIN	Taxpayers Identification Number
UIN	Unique identification number
U.N.	United Nations
US/United States	United States of America
UAE	United Arab Emirates
USD/ US\$/ \$	United States Dollar, the official currency of the United States of America
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
U.S. Securities Act	United States Securities Act of 1933
VAT	Value Added Tax
VCF/ Venture Capital Fund	Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
Wilful Defaulter(s)	Company or person categorized as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India and includes any company whose director or promoter is categorized as such and as defined under Regulation 2(1)(III) of the SEBI (ICDR) Regulations, 2018.

<b>Abbreviation</b>	<b>Full Form</b>
WDV	Written Down Value
WTD	Whole Time Director
w.e.f.	With effect from
₹	Represent Outflow

The words and expressions used but not defined in this Draft Red Herring Prospectus will have the same meaning as assigned to such terms under the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 (the “SEBI Act”), the SCRA, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 the Depositories Act and the rules and regulations made thereunder.

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

### **Certain Conventions**

In this Draft Red Herring Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company”, unless the context otherwise indicates or implies, refers to Zelio E-Mobility Limited. All references in the Draft Red Herring Prospectus to “India” are to the Republic of India. All references in the Draft Red Herring Prospectus to the “U.S.”, “USA” or “United States” are to the United States of America.

In this Draft Red Herring Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word “Lac / Lakh” means “one hundred thousand”, the word “million (mn)” means “Ten Lac / Lakh”, the word “Crore” means “ten million” and the word “billion (bn)” means “one hundred crore”. In this Draft Red Herring Prospectus, any discrepancies in any table between total and the sum 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. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

### **Use of Financial Data**

Unless stated otherwise, throughout this Draft Red Herring Prospectus, all figures have been expressed in Rupees and Lakh. Unless stated otherwise, the financial data in the Draft Red Herring Prospectus is derived from our Restated Financial Statements prepared as at and for the period ended on September 30, 2024 and as at and for the financial year ended 31st March 2024, 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022 in accordance with Indian GAAP, the Companies Act and SEBI (ICDR) Regulations, 2018 included under Section titled “*Financial Information of the Company*” beginning on page 169 of this Draft Red Herring Prospectus.

There are significant differences between Indian GAAP, the International Financial Reporting Standards (“IFRS”) and the Generally Accepted Accounting Principles in the United States of America (“U.S. GAAP”). Accordingly, the degree to which the Indian GAAP financial statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practice and Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. We have not attempted to explain those differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and elsewhere in the Draft Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, 2018, as stated in the report of our Statutory Auditor, set out in section titled “*Financial Information of the Company*” beginning on page 169 of this Draft Red Herring Prospectus. The company does not have any subsidiary as on date of the Draft Red Herring Prospectus. Our fiscal year commences on April 1 of every year and ends on March 31 of every next year.

For additional definitions used in this Draft Red Herring Prospectus, see the section “*Definitions and Abbreviations*” on page 1 of this Draft Red Herring Prospectus. In the section titled “*Main Provisions of the Articles of Association of our Company*”, on page 307 of the Draft Red Herring Prospectus defined terms have the meaning given to such terms in the Articles of Association of our Company.

Certain Non-GAAP Measures and certain other statistical information relating to our operations and financial performance like EBITDA, EBITDA Margin, PAT Margin, and others, have been included in this Draft Red Herring Prospectus. We compute and disclose such Non-GAAP measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance. These Non- GAAP measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by the accounting standards and may not be comparable to similarly titled measures presented by other companies.

### **Use of Industry & Market Data**

Unless stated otherwise, industry and market data and forecast used throughout the Draft Red Herring Prospectus was obtained from internal Company reports, data, websites, Industry publications report as well as Government Publications. Industry publication data and website data generally state that the information contained therein 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.

Although, we believe industry and market data used in the Draft Red Herring Prospectus is reliable, it has not been independently verified by us or the BRLM or any of their affiliates or advisors. Similarly, internal Company reports and data, while believed by us to be reliable, have not been verified by any independent source. There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies and assumptions may vary widely among different market and industry sources.

In accordance with the SEBI (ICDR) Regulations, 2018 the section titled **“Basis for Offer Price”** on page 92 of the Draft Red Herring Prospectus includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the BRLM, have independently verified such information.

### **Currency of Financial Presentation**

All references to “Rupees” or “INR” or “₹” or “₨” are to Indian Rupees, the official currency of the Republic of India. Except where specified, including in the section titled **“Industry Overview”** throughout the Draft Red Herring Prospectus all figures have been expressed in Lakhs.

Any percentage amounts, as set forth in **“Risk Factors”**, **“Our Business”**, **“Management's Discussion and Analysis of Financial Conditions and Results of Operations”** on page 29, 111 and 223 respectively of this Draft Red Herring Prospectus, unless otherwise indicated, have been calculated based on our restated financial statements prepared in accordance with Indian GAAP.

The Draft Red Herring Prospectus contains conversion of certain US Dollar and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI (ICDR) Regulations, 2018. 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.



## **FORWARD LOOKING STATEMENTS**

This Draft Red Herring Prospectus includes certain “forward-looking statements”. We have included statements in the Draft Red Herring Prospectus which contain words or phrases such as “will”, “aim”, “is likely to result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions, that are “forward-looking statements”. Also, statements which describe our strategies, objectives, plans or goals are also forward looking statements.

All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

1. Our limited operating history makes evaluating our business and future prospects difficult;
2. Our dependence on the demand for and adoption of EVs;
3. Disruptions in the supply, or increase in prices of, components and raw materials used in our EVs, can adversely affect our product pricing and manufacturing and delivery timelines;
4. Any reductions or eliminations of government incentives or ineligibility of electric vehicles for such incentive could increase the retail price of our electric vehicles, adversely affecting the demand for our electric vehicles;
5. Changes in focus or change in Government Policies towards EVs;
6. Our ability to sustain and grow in competition from existing and new entities in EV industry;
7. Any change in government policies resulting in increases in taxes payable by us;
8. Our ability to successfully upgrade our products and services portfolio, from time to time;
9. Our ability to comply with changes in safety, health, environmental and labour laws and other applicable regulations;
10. General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
11. Our ability to retain our key managements persons and other employees;
12. Our ability to make interest and principal payments on our existing debt obligations and satisfy the other covenants contained in our existing debt agreements;
13. Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
14. Company’s ability to successfully implement strategy, growth and expansion plans and technological initiatives;
15. failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
16. inability to successfully obtain registrations in a timely manner or at all;
17. Occurrence of Environmental Problems & Uninsured Losses;
18. Conflicts of interest with affiliated companies, the promoter group and other related parties;
19. Concentration of ownership among our Promoter

For further discussion of factors that could cause our actual results to differ, see the Section titled “**Risk Factors**”, “**Our Business**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” beginning on page 29, 111 and 223 respectively of the Draft Red Herring 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 future gains or losses could materially differ from those that have been estimated.

There can be no assurance to 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 to be a guarantee of our future performance.

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

**SECTION II – SUMMARY OF DRAFT RED HERRING PROSPECTUS****A. OVERVIEW OF BUSINESS**

We are primarily engaged in the business of manufacturing, assembling and supplying of electric vehicles, offering a range of electric two-wheelers (“E-2Ws”) and three-wheelers (“3Ws”), available in a variety of design, color, speed variants etc. We are an ISO 45001:2018, ISO 9001:2015 and ISO 14001:2015 certified company, operating under the brand name “Zelio” for E-2Ws and “Tanga” for 3Ws and focussing exclusively on the production of E-2Ws and 3Ws which serves environmental benefits such as lower emissions, reduced noise, energy sustainability etc. We launched the first range of electric scooters in FY 2021-22 and operate through a network of exclusive and non-exclusive dealers spanning across urban, semi-urban, and rural areas.

For further details, please refer to the chapter titled “*Our Business*” beginning on page 111 of this Draft Red Herring Prospectus.

**OVERVIEW OF THE INDUSTRY**

India's Electric Vehicle (EV) sector is experiencing rapid growth, fuelled by government incentives, rising environmental concerns, and technological advancements. With initiatives like the Faster Adoption and Manufacturing of Hybrid and Electric Vehicles (FAME) scheme, India aims to significantly increase EV adoption, revolutionizing its transportation landscape towards sustainability and innovation. India has established an objective to elevate the proportion of Electric Vehicle (EV) sales to 30% in private cars, 70% in commercial vehicles, 40% in buses, and 80% in two-wheelers and three-wheelers by the year 2030. This equates to an ambitious objective of 80 million EVs on Indian roads by 2030. Additionally, India strives for complete domestic EV production through the 'Make in India' initiative.

For further details, please refer to the chapter titled “*Industry Overview*” beginning on page 102 of this Draft Red Herring Prospectus.

**B. PROMOTERS**

The promoters of our company are Niraj Arya, Kunal Arya, Deepak Arya and Sayuri Arya.

**C. DETAILS OF THE OFFER**

The Offer of up to 64,20,000 Equity Shares for cash at price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating to ₹ [●] lakhs comprising of a Fresh Issue of upto 52,80,000 Equity Shares aggregating up to ₹ [●] lakhs by our Company and an Offer for Sale of up to 11,40,000 Equity Shares aggregating up to ₹ [●] lakhs by the Promoter Selling Shareholders. The details of the Equity Shares offered by each Promoter Selling Shareholder pursuant to the Offer are set forth below:

Sr No	Name of the Selling Shareholder	Maximum number of Offered shares	Aggregate proceeds from the Offered Shares (₹ in lakhs)	Number of Equity Shares held	Percentage of pre-Offer equity Share capital (%)
1.	Niraj Arya	3,80,000	[●]	55,09,449	2.30%
2.	Kunal Arya	3,80,000	[●]	55,08,898	2.30%
3.	Deepak Arya	3,80,000	[●]	55,09,449	2.30%
	<b>Total</b>	<b>11,40,000</b>	<b>[●]</b>	<b>1,65,27,796</b>	<b>6.90%</b>

(1) Our Company, in consultation with the BRLM, may consider a Pre-IPO placement, as may be permitted under the applicable laws, of up to 6,60,000 Equity Shares, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLM. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.

(2) The Offer has been authorised by our Board pursuant to resolutions passed at their meeting held on March 15, 2025 and by our Shareholders pursuant to a special resolution dated March 18, 2025. Further, our Board has taken on record the consents of the Promoter Selling Shareholders to participate in the Offer for Sale in its meeting held on March 15, 2025.

(3) The Equity Shares being offered by the Promoter Selling Shareholders have been held for a period of at least one year immediately preceding the date of this Draft Red Herring Prospectus and are eligible for being offered for sale pursuant to the Offer in terms of the SEBI ICDR Regulations.

For details of the authorizations by the Promoter Selling Shareholders in relation to the Offered Shares, see the section titled “**The Offer**”, “**Other Regulatory and Statutory Disclosures - Authority for the Offer**” and “**Offer Structure**” on pages 52, 247 and 271, respectively.

#### **D. OBJECTS OF THE OFFER**

Our Company intends to utilize the proceeds of the Offer to meet the following objects:

Sr. No	Particulars	Amount (₹ in Lakhs)
1.	Repayment and/or pre-payment, in full or part, of borrowing availed by our Company	2450.00
2.	Funding the Capital Expenditure requirements towards setting up of a new manufacturing unit	2388.97
3.	To Meet Working Capital Requirement#	[●]
4.	General Corporate Purpose.	[●]
	<b>Total</b>	[●]

# Includes the proceeds, if any, received pursuant to the Pre-IPO Placement. Upon allotment of securities pursuant to the Pre-IPO Placement, our Company shall utilise the proceeds from such Pre-IPO Placement towards the Objects of the Offer.

For further details please refer to the chapter titled “**Objects of the Offer**” beginning on page 81 of this Draft Red Herring Prospectus

#### **E. PRE-OFFER SHAREHOLDING OF PROMOTERS AND PROMOTER GROUP**

Our Promoters and Promoter Group collectively holds 1,65,30,000 Equity shares of our Company aggregating to 100.00% of the pre-Offer paid-up Share Capital of our Company. Following are the details of the shareholding of the Promoters and Promoter Group, as on date of this Draft Red Herring Prospectus:

Sr. No	Names	Pre IPO		Post IPO	
		Shares Held	% Shares Held	Shares Held	% Shares Held
	<b>Promoters</b>				
1.	Niraj Arya	55,09,449	33.33	[●]	[●]
2.	Kunal Arya	55,08,898	33.33	[●]	[●]
3.	Deepak Arya	55,09,449	33.33	[●]	[●]
	<b>Sub Total (A)</b>	<b>1,65,27,796</b>	<b>99.99</b>	[●]	[●]
	<b>Promoter Group</b>				
4.	Arun Lata	551	Negligible	[●]	[●]
5.	Saroj Arya	551	Negligible	[●]	[●]
6.	Priyanka Arya	551	Negligible	[●]	[●]
7.	Anchal Aggarwal	551	Negligible	[●]	[●]
	<b>Sub Total (B)</b>	<b>2,204</b>	<b>0.01</b>	[●]	[●]
	<b>Grand Total (A+B)</b>	<b>1,65,30,000</b>	<b>100.00</b>	[●]	[●]

For further details, please refer to the chapter titled “**Capital Structure**” beginning on page 69 of this Draft Red Herring Prospectus.

**EA. SHAREHOLDING OF PROMOTER / PROMOTER GROUP AND ADDITIONAL TOP 10 SHAREHOLDERS OF THE COMPANY AS AT ALLOTMENT:**

Sr. No.	Pre- Offer shareholding as at the date of Advertisement			Post- Offer shareholding as at Allotment <sup>(3)</sup>			
	Shareholders	Number of Equity Shares <sup>(2)</sup>	Share Holding (in %) <sup>(2)</sup>	At the lower end of the price band (₹[●])		At the upper end of the price band (₹[●])	
				Number of Equity Shares <sup>(2)</sup>	Share holding (in %) <sup>(2)</sup>	Number of Equity Shares <sup>(2)</sup>	Share holding (in %) <sup>(2)</sup>
<b>Promoters</b>							
1.	Niraj Arya	55,09,449	33.33	[●]	[●]%	[●]	[●]%
2.	Kunal Arya	55,08,898	33.33	[●]	[●]%	[●]	[●]%
3.	Deepak Arya	55,09,449	33.33	[●]	[●]%	[●]	[●]%
	<b>Sub Total (A)</b>	<b>1,65,27,796</b>	<b>99.99</b>	<b>[●]</b>	<b>[●]%</b>	<b>[●]</b>	<b>[●]%</b>
<b>Promoter Group</b>							
4.	Arun Lata	551	Negligible	[●]	[●]%	[●]	[●]%
5.	Saroj Arya	551	Negligible	[●]	[●]%	[●]	[●]%
6.	Priyanka Arya	551	Negligible	[●]	[●]%	[●]	[●]%
7.	Anchal Aggarwal	551	Negligible	[●]	[●]%	[●]	[●]%
	<b>Sub Total (B)</b>	<b>2,204</b>	<b>0.01</b>	<b>[●]</b>	<b>[●]%</b>	<b>[●]</b>	<b>[●]%</b>
	<b>Grand Total (A+B)</b>	<b>1,65,30,000</b>	<b>100.00</b>	<b>[●]</b>	<b>[●]%</b>	<b>[●]</b>	<b>[●]%</b>

\*Our Company have only seven shareholders consisting promoter and promoter group.

**Notes:**

- 1) The Promoter Group shareholders are Arun Lata, Saroj Arya, Priyanka Arya and Anchal Aggarwal.
- 2) Includes all options that have been exercised until date of prospectus and any transfers of equity shares by existing shareholders after the date of the pre-offer and price band advertisement until date of prospectus.
- 3) Based on the Offer price of ₹[●] and subject to finalization of the basis of allotment

**F. SUMMARY OF FINANCIAL INFORMATION**

Following are the details as per the restated financial statements for the six months ended September 30, 2024 and financial years ended on March 31, 2024, March 31, 2023 and March 31, 2022:

(₹ in Lakhs)

Particulars	For the period/Year ended			
	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Equity Share Capital	3.00	3.00	3.00	3.00
Net worth	1,771.15	1,066.55	435.67	130.14
Total Income	7,603.90	9,489.83	5,162.30	1,302.50
Profit after tax	704.60	630.88	305.53	127.14
Earnings per Share	4.26	3.82	1.85	0.77
Net asset value per equity share (Total number of equity shares outstanding at the end of the six months / year.)	5,903.38	3,555.13	1,452.22	433.80
Net Asset Value per share (Based on Weighted Average Number of Shares)	10.71	6.45	2.64	0.79
Total Borrowings (including current maturities of long-term borrowings)	2,197.05	1,410.60	958.58	373.26

**G. AUDITOR QUALIFICATIONS**

There are no audit qualifications which have not been given effect in the restated financial statements.

**H. SUMMARY OF OUTSTANDING LITIGATIONS**

As on the date of Draft Red Herring Prospectus our Company, Promoters, Directors and KMPs are not involved in any legal proceedings. For further details, please refer to the chapter titled “*Outstanding Litigations and Material Developments*” on page 235 of this Draft Red Herring Prospectus.

**I. RISK FACTORS**

For details on the risks involved in our business, please see the Chapter titled “*Risk Factors*” beginning on page 29 of this Draft Red Herring Prospectus.

**J. SUMMARY OF CONTINGENT LIABILITIES**

As per the Restated Financial Information for the period/year ended September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, there are no contingent liabilities of our Company which have been recognized and reported in the Restated Financial Information. For further details, please refer to *Annexure – VII: Restated Statement of Contingent Liabilities and Commitments* of the chapter titled “*Financial Information of the Company*” on page 169 of this Draft Red Herring Prospectus.

**K. SUMMARY OF RELATED PARTY TRANSACTIONS**

Following is the summary of the related party transactions entered by the Company (based on Restated Financial Statements) for the period ended on September 30, 2024 and financial year ended on March 31, 2024, March 31, 2023 and March 31, 2022:

**A. List of related parties and their relationship:**

Particulars	Name of the Related Parties	Designation / Relation
<b>Key Management Personnel / Promoters / Shareholders</b>	Niraj Arya	Chairman and Whole time Director
	Deepak Arya	Whole time Director
	Kunal Arya	Managing Director
	Sayuri Arya	Non – Executive Director w.e.f. 11.02.2025
	Sulabh Jain	Independent Director w.e.f. 11.02.2025
	Meenakshi Jain	Independent Director w.e.f. 11.02.2025
<b>Relative / HUF of Key Management Personnel</b>	Anchal Aggarwal	Wife of Managing Director
	Deepak Arya HUF	HUF of director
<b>Entities in which Key Management Personnel or their Relatives have significance influence</b>	M/s Rajdhani Machinery Store	Directors are partner in the firm
	M/s Jai Bharat Engineering Tools	Relative of director is proprietor in the firm
	M/s Aryan Distributors	
	M/s Jai Bharat Auto Components	

**B. Details of Transactions with related parties***(Amount in Rs. Lakhs)*

Nature of Transaction	Name of related party	For the period / year ended			
		30 <sup>th</sup> September, 2024	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Remuneration	Niraj Arya	16.00	18.00	18.00	10.50
	Deepak Arya	16.00	18.00	18.00	10.50
	Kunal Arya	16.00	18.00	18.00	10.50
	Sayuri Arya	3.90	5.20	-	-
Loan taken	Niraj Arya	3.60	11.25	6.50	35.00
	Deepak Arya	-	6.30	0.90	50.50
	Kunal Arya	3.11	15.00	9.55	21.50
	Deepak Arya HUF	-	-	-	19.00
Loan repayment	Niraj Arya	6.59	9.90	4.00	-
	Deepak Arya	3.00	2.50	-	-
	Kunal Arya	3.11	9.70	-	0.10
Interest paid / payable	Niraj Arya	2.36	4.42	3.56	1.65
	Deepak Arya	3.24	5.78	5.19	1.55
	Kunal Arya	2.12	3.31	2.56	0.58
	Deepak Arya HUF	1.20	2.19	2.01	1.17

Nature of Transaction	Name of related party	For the period / year ended			
		30 <sup>th</sup> September, 2024	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Reimbursement of expenses	Niraj Arya	-	-	-	2.84
	Kunal Arya	0.41	0.36	0.25	-
	Sayuri Arya	0.16	-	-	-
	Anchal Aggarwal	1.50	-	-	-
	Rajdhani Machinery Store	-	1.96	1.16	1.01
Commission paid	Anchal Aggarwal	-	9.50	9.70	8.00
Purchase of Goods (Including GST)	M/s Jai Bharat Engineering Tools	-	-	155.62	16.96
	M/s Rajdhani Machinery Store	-	-	1.44	0.60
	M/s Aryan Distributors	-	10.08	-	-
	M/s Jai Bharat Auto Components	284.60	202.54	-	-
Purchase of Property, plant and equipment (including GST)	M/s Jai Bharat Engineering Tools	16.05	7.94	0.34	2.31
	M/s Rajdhani Machinery Store	-	-	-	0.40
Sale of Goods (Including GST)	M/s Rajdhani Machinery Store	431.01	712.82	800.51	279.62
	M/s Jai Bharat Auto Components	25.44	14.67	-	-

**C. Outstanding balance with related parties:***(Amount in Rs. Lakhs)*

Nature of Transaction	Name of related party	As at			
		30 <sup>th</sup> September, 2024	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Remuneration Payable	Niraj Arya	1.08	1.25	1.61	-
	Deepak Arya	10.73	1.25	1.25	-
	Kunal Arya	13.37	1.25	1.30	-
	Sayuri Arya	0.65	0.65	-	-
Loan payable	Niraj Arya	46.90	47.53	42.20	36.49
	Deepak Arya	66.72	66.47	57.47	51.89
	Kunal Arya	44.43	42.31	34.03	21.92
	Deepak Arya HUF	25.03	23.84	21.86	20.06
Trade Receivables	Rajdhani Machinery Store	-	62.09	39.22	-
Trade Payables	M/s Jai Bharat Auto Components	96.73	41.74	-	-
Trade Payables	M/s Jai Bharat Engineering Tools	16.05	-	-	-
Advance from Customers	Rajdhani Machinery Store	63.07	-	-	95.08

**Notes:**

- I. The above transactions had been made at an Arm's Length Price.
- II. The above Statement forms an integral part of the Restated Financial Statements of the Company
- III. List of persons/entities classified as 'Promoters' and 'Group Company' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

For further details, please refer to the **Annexure – VIII: Restated Statement of Related Party Transaction** of chapter titled **“Financial Information of the Company”** on page 193 of this Draft Red Herring Prospectus.

**L. DETAILS OF FINANCING ARRANGEMENTS**

There are no financing arrangements whereby the promoters, members of the promoter group, the directors of the issuer and their relatives have financed the purchase by any other person of securities of the issuer 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 Draft Red Herring Prospectus.

**M. WEIGHTED AVERAGE PRICE OF THE SHARES ACQUIRED BY OUR PROMOTERS AND PROMOTER SELLING SHAREHOLDER IN LAST ONE YEAR**

Weighted Average Price at which Equity Shares were acquired by our Promoters and promoter selling shareholders in last one year preceding the date of this this Draft Red Herring Prospectus:

Sr. No.	Name of Promoters/Promoter Selling Shareholders	Total No. of Equity Shares	Weighted Average Price (in ₹ per equity share)
1.	Niraj Arya	54,99,450	Nil
2.	Kunal Arya	54,98,900	Nil
3.	Deepak Arya	54,99,450	Nil

**N. AVERAGE COST OF ACQUISITION OF EQUITY SHARES FOR OUR PROMOTERS AND PROMOTER SELLING SHAREHOLDERS**

The average cost of acquisition of Equity Shares by our Promoters and promoter selling shareholders is set forth in the table below:

Sr. No.	Name of the Promoter	No. of Shares held	Average cost of Acquisition (in ₹ per equity share)
1.	Niraj Arya	55,09,449	0.02
2.	Kunal Arya	55,08,898	0.02
3.	Deepak Arya	55,09,449	0.02

**O. PRE IPO-PLACEMENT**

Our Company, in consultation with the BRLM, may consider a Pre-IPO placement, as may be permitted under the applicable laws, of up to 6,60,000 Equity Shares, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLM. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus.

**P. EQUITY SHARES ISSUED FOR CONSIDERATION OTHER THAN CASH**

Except as set out below, we have not issued Equity Shares for consideration other than cash in the last one year.

Date of Allotment	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons for Allotment	Benefits Accrued to our Company	Name of Allottee	No. of Shares Allotted
February 12, 2025	1,65,00,000	10	Nil	Bonus Issue in the ratio of 550:1	Capitalization of Reserves & Surplus*	Niraj Arya	54,99,450
						Kunal Arya	54,98,900
						Deepak Arya	54,99,450
						Arun Lata	550
						Saroj Arya	550
						Priyanka Arya	550
						Anchal Aggarwal	550
<b>Total</b>	<b>1,65,00,000</b>						

*\*Above allotment of shares has been made out of Reserve & Surplus available for distribution to shareholders and no part of revaluation reserve has been utilized for the purpose*

**Q. SPLIT/ CONSOLIDATION OF EQUITY SHARES**

Our company has not undertaken split or consolidation of its equity shares in the one year preceding the date of this Draft Red Herring prospectus

**R. 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, as on the date of this Draft Red Herring Prospectus.



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

An investment in our Equity Shares involves a high degree of financial risk. Prospective investors should carefully consider all the information in the Draft Red Herring Prospectus, particularly the **“Financial Information of the Company”** and the related notes, **“Our Business”** and **“Management’s Discussion and Analysis of Financial Condition and Results of Operations”** on page 169, 111 and 223 respectively of this Draft Red Herring Prospectus and the risks and uncertainties described below, before making a decision to invest in our Equity Shares.

The risk factors set forth below are not exhaustive and 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, individually or together, could adversely affect our business, financial condition, results of operations or prospects, which could result in a decline in the value of our Equity Shares and the loss of all or part of your investment in our Equity Shares. While we have described the risks and uncertainties that our management believes are material, these risks and uncertainties may not be the only risks and uncertainties we. Additional risks and uncertainties, including those we currently are not aware of or deem immaterial, may also have an adverse effect on our business, results of operations, financial condition and prospects.

This Draft Red Herring Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors below. However, there are risk factors the potential effects of which are not quantifiable and therefore no quantification has been provided with respect to such risk factors. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the offer, including the merits and the risks involved. You should not invest in this Offer unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.

#### **Materiality**

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

1. Some events may not be material individually but may be found material collectively.
2. Some events may have material impact qualitatively instead of quantitatively.
3. Some events may not be material at present but may be having material impact in future.

#### **Note:**

The risk factors as envisaged by the management along with the proposals to address the risk if any. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial implication of any of the risks described in this section.

In this Draft Red Herring Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in **“Risk Factors”** on page 29 and **“Management Discussion and Analysis of Financial Condition and Results of Operations”** on page 223 of this Draft Red Herring Prospectus unless otherwise indicated, has been calculated on the basis of the amount disclosed in the **“Restated Financial Statements”**.

#### **INTERNAL RISK FACTORS**

1. **Our Company has been recently formed, thus we have limited operating history as a Company which may make it difficult for investors to evaluate our historical performance or future prospects.**

Our Company was incorporated as a private limited Company under the Companies Act, 2013 with Registrar of Companies, dated July 15, 2021, thus, we have limited operating history as a company from which one can evaluate our business, future prospects and viability. Our future business operations and financial position may be difficult to estimate and could fluctuate significantly and as a result the price of our Equity Shares may remain volatile. Although our company has been formed and accounted for on a going concern basis, but there can be no assurance that we will be able to successfully pursue our growth strategies, or that pursuing these strategies will provide us the anticipated benefits to the company. Any inability to pursue our growth strategies successfully or at all, or an inability to manage our growth, may adversely affect our prospects. For further details, see the chapter titled **“History and Corporate Structure”** and **“Restated Financial Statements”** on page 143 and 169 respectively of the Draft Red Herring Prospectus.

**2. Our Company is dependent on limited number of suppliers within limited geographical location for procurement of raw materials. Any delay, interruption or reduction in the supply of raw materials required for our products may adversely affect our business, results of operations, cash flows and financial condition.**

During the stub period ended on September 30, 2024 and Fiscal 2024, 2023 and 2022, our cost of goods sold (cost of materials consumed, direct expenses and changes in inventories of finished goods) was ₹ 6,001.79 lakhs, ₹ 7,923.86 lakhs, ₹ 4,372.19 lakhs and ₹ 983.27 lakhs respectively, which represented 79.73%, 83.92%, 85.31% and 76.26% of our revenue from operations respectively, for the said period. The raw materials we use in our manufacturing process are primarily imported from China and some of our requirements are sourced from third party suppliers in India. For details related to purchases of raw materials, kindly refer section titled “**Financial Information of the Company**” beginning on Page 169 of this Draft Red Herring Prospectus.

In addition, we usually do not enter into long-term supply contracts/ agreements with any of our raw material suppliers and typically source raw materials from the open market. The absence of long-term contracts/agreements at fixed prices exposes us to volatility in the prices of raw materials that we require and we may be unable to pass these costs onto our customers, which may reduce our profit margins. Inadequate supply of raw material caused either by a sudden change in the prices or imposition of any new taxes or duties or loss of any of our existing major vendors or suppliers for any reason could have a material adverse effect on our business operations and profitability. Further, any materially adverse social, political or economic development, civil disruptions, or changes in the policies of the state government or local governments may affect continuing operations at our manufacturing unit and result in significant loss due to an inability to meet production schedules, which could materially affect our business reputation. If we cannot fully offset increases in the cost of raw materials, through increases in the prices for our products, we would experience lower margins and profitability, which would have a material adverse effect on our financial condition and results of operations. Our ability to remain competitive, maintain costs and profitability depend, in part, on our ability to source and maintain a stable and sufficient supply of raw materials at acceptable prices. Further, discontinuation of such supply or a failure of these suppliers to adhere to the delivery schedule or the required quality could hamper our production schedule and therefore affect our business and results of operations.

Though we have not faced any such instance in past, there can be no assurance that demand, capacity limitations or other problems experienced by our vendors or suppliers will not result in occasional shortages or delays in their supply of raw materials. If we were to experience a significant or prolonged shortage of raw materials from any of our suppliers, and we cannot procure the raw materials from other sources, we would be unable to meet our production schedules for our key products and to deliver such products to our customers in a timely manner, which would adversely affect our sales, margins and customer relations.

For the stub period ended on September 30, 2024 and Fiscal 2024, 2023 and 2022, our purchases from our top 10 vendors/suppliers aggregated to ₹ 5,593.53 lakhs, ₹ 6,051.23 lakhs, ₹ 3,394.69 lakhs and ₹ 1,135.90 lakhs, constituting for approximately 86.01%, 79.51%, 88.88% and 95.41% of our total purchases respectively. We face a risk that one or more of our existing suppliers may discontinue their supplies to us, and any inability on our part to procure raw materials from alternate suppliers in a timely manner, or on commercially acceptable terms, may adversely affect our business, financial condition and results of operations. There can be no guarantee that we will be able to maintain our current line-up of suppliers or adequate supply of such raw materials at all times. Further our Company has outstanding dues of trade payables during the stub period ended on September 30, 2024 and Fiscals 2024, 2023 and 2022 of ₹ 912.44 lakhs, ₹ 275.79 lakhs, ₹ 85.50 lakhs and ₹ 170.00 lakhs respectively. Any delay in payment to our creditors may impact our long-standing relations with our suppliers and may result in stoppage of timely or at all delivery of raw material. Any such disruption would impact the production and overall financial position of our Company.

**3. We generate our major portion of turnover from our operations in certain geographical regions and any adverse developments affecting our operations in these regions could have an adverse impact on our revenue and results of operations.**

We generate a notable portion of our turnover from the State of Haryana. For the period ended September 30, 2024 and financial year ended March 31, 2024, March 31, 2023 & March 31, 2022, we derived notable portion of our revenue from the state of Haryana i.e. 30.27%, 41.41%, 55.15% and 67.34% of total revenue from operations, respectively and we derived 70.83%, 81.19%, 90.26% and 96.56% of total revenue from operations from top-5 states, respectively, for the period ended September 30, 2024 and financial year ended March 31, 2024, March 31, 2023 & March 31, 2022. For details related to total revenue from operations, kindly refer section titled “**Financial Information of the Company**” beginning on Page 169 of this Draft Red Herring Prospectus.

We carry our entire operations from our manufacturing unit located at Hisar, Haryana. Due to the geographical concentration of our manufacturing units at Hisar, Haryana, our operations are prone to local, regional and environmental factors. Any materially adverse social, political or economic development, civil disruptions, or changes in the policies of the central or state or local government, may require a modification of our business strategy, or require us to incur significant capital expenditure or suspend our operations. Any such adverse development affecting continuing operations at our manufacturing unit could result in significant loss due to an inability to meet customer orders and production schedules, which could materially affect our business reputation within the industry. Though no such events occurred in past, the occurrence of or our inability to effectively respond to, any such 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 also sale our products in the state of Gujarat, Uttar Pradesh, West Bengal, Punjab etc. Further, we plan to enter into new geographical locations and penetrate existing locations in India in order to capture future growth trends, thus we are likely to compete with new/existing players in said locations, who might have an established presence in the particular region, and are more familiar with the business practices and have stronger relationships with dealers/customers, relevant government authorities, suppliers or are in a stronger financial position than us, all of which may give them a competitive advantage over us. Our inability to expand into other areas may adversely affect our business prospects, financial conditions and results of operations.

**4. We source our majority of the raw materials from international market i.e. China. Any adverse developments affecting our procurement in this region could have an adverse impact on our revenue and results of operations.**

Significant imports are being made from China, considering factors such as quality, price, inventory levels and credit terms. This strategic decision allows us to benefit from the geographical advantages, ensuring quality and timely delivery of the products. For the period ended September 30, 2024 and for the financial years ended March 31, 2024, 2023 and 2022, our product procurement from our suppliers located in China contributes 73.72%, 53.10%, 48.21% and 64.20% of our total Purchases respectively. For the details related to imports and indigenous purchases, kindly refer to the section titled “*Financial Information of the Company*” beginning on the page 169 of the Draft Red Herring Prospectus.

For the period ended September 30, 2024 and for the financial years ended March 31, 2024, 2023 and 2022, our product procurement from our suppliers in international market to the % of our total Purchases are as follows:

**Domestic and Import Purchases data:**

(Rs. in lakhs)

Activity	For the period / year ended on							
	September 30, 2024		March 31, 2024		March 31, 2023		March 31, 2022	
	Amount	% of total purchases	Amount	% of total purchases	Amount	% of total purchases	Amount	% of total purchases
Imports	4,793.82	73.72%	4,143.03	54.43%	1,841.26	48.21%	764.33	64.20%
Domestic Purchase	1,709.25	26.28%	3,467.94	45.57%	1,978.03	51.79%	426.17	35.80%
<b>TOTAL</b>	<b>6,503.07</b>	<b>100.00%</b>	<b>7,610.97</b>	<b>100.00%</b>	<b>3,819.29</b>	<b>100.00%</b>	<b>1190.50</b>	<b>100.00%</b>

Such geographical concentration of our business in the said region heightens our exposure to adverse developments related to competition, trade war, imposition of tariff on imports, as well as economic and demographic changes in these regions, which may adversely affect our business prospects, financial conditions and results of operations. Factors such as competition, regulatory regimes, business practices and customs, industry needs, transportation, high prices in other markets where we may procure our products may differ from those in such region, and our experience in this region may not be applicable to other markets. Our inability to procure into areas outside such markets may adversely affect our business prospects, financial conditions and results of operations.

**5. We require certain approvals, licenses, registrations and permits to operate our business, and failure to obtain or renew them in a timely manner or maintain the statutory and regulatory permits and approvals required to operate our business may adversely affect our operations and financial conditions.**

We require certain statutory and regulatory permits, licenses and approvals to operate our business. We believe that we have obtained permits and licenses which are required to run our business, however we cannot assure that there is no other statutory/regulatory requirement which we are required to comply with. Further, some of these approvals are granted for fixed periods of time and need renewal from time to time. We are required to renew such permits, licenses and approvals. There can be no assurance that the relevant authorities will issue any of such permits or approvals in time or at all. Failure by us to renew, maintain or obtain the required permits or approvals in time may result in the interruption of our operations and may have a material adverse effect on our business, financial condition and results of operations.

We are primarily engaged in the business of manufacturing, assembling, and supplying electric vehicles. The manufacturing and assembly of electric vehicles require a number of approvals from various regulatory authorities, which we have endeavored to obtain from all requisite agencies. However, there may be instances where we are unable to secure all necessary government approvals in a timely manner, thereby introducing an element of regulatory uncertainty. While our current operations and sales are proceeding without interruption, future changes in applicable laws, regulations, or enforcement practices could result in production halts, imposition of fines, or mandatory modifications to our vehicles, which could adversely affect our financial performance, operations, and market valuation. In the past, we have not experienced any production halts, penalties, or regulatory mandates requiring modification to our electric vehicles, and we continue to monitor and comply with all relevant regulatory developments.

The approvals required by our Company are subject to numerous conditions and there can be no assurance that these would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. If there is any failure by us to comply with the applicable regulations or if the regulations governing our business are amended, we may incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business.

For details, see “*Government and Other Approvals*” and “*Our Business*” on page 239 and 111, respectively, of this Draft Red Herring Prospectus.

**6. *Our historical performance is not indicative of our future growth or financial results and we may not be able to sustain our historical growth rates.***

Our business has experienced significant growth in past. Our revenue from operations has increased from Rs. 1,289.32 lakhs in financial year 2021-22, to Rs. 5,125.07 Lakhs and Rs. 9,442.50 Lakhs in Financial Years 2022-23 and 2023-24 respectively and our Profit after tax has increased from Rs. 127.14 lakhs in FY 2021-22 to Rs. 305.53 lakhs and Rs. 630.88 lakhs in FY 2022-23 and 2023-24 respectively. Our revenue growth represents a Compound Annual Growth Rate (CAGR) of 170.65% over the past three years. We cannot assure you that we will be able to sustain the levels of revenue and profit growth that we have had in the past. Further, a number of our strategic initiatives are in initial stages. While we may experience initial success with such initiatives, there is no assurance that these will succeed in the long term.

Continued growth of our business and customer base requires us to expand our product portfolio, strengthen our product quality, expand and enhance our sales channels, better manage our supply chain, upgrade our information systems and technologies and devote other resources to our business expansions, among others. As we continue to grow, managing our business will become more complicated as we develop a wider product mix, some of which we may have less experience in. In addition, as we increase our product offerings, we will need to work with a larger number of business partners and maintain and expand mutually beneficial relationships with our existing and new business partners. Our inability to manage the expansion of our products range, customer base and operational capacities, and execute our growth strategy in a timely manner or within budget estimates, or our inability to meet the expectations to track the changing preferences of our customers or other stakeholders could have an adverse effect on our business, results of operations and financial condition.

We cannot assure you that we will be able to effectively manage our growth, that our current personnel, infrastructure, systems, procedures and controls or any measures to enhance them will be adequate and successful to support our expanding operations or that our strategies and new business initiatives will be executed successfully. Our failure to manage our anticipated growth effectively could reduce our ability to execute our business strategies, recruit and retain personnel, innovate, and manage costs all of which could adversely affect our business, results of operations, cash flows and financial condition. In addition, the availability of funds plays a crucial role for growth and expansion of the business. Our ability to arrange financing and the costs of capital of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from banks, investor confidence, the continued success of our operations and other laws that are conducive to our raising capital in this manner.

Adverse market conditions and negative business conditions could increase our borrowing costs and adversely affect our access to capital. Further, in case we decide to raise additional funds through the issuance of equity or equity linked instruments, the interests of our shareholders may be diluted. Further, if we decide to meet our capital requirements through debt financing, our interest obligations shall increase and we may be subject to additional restrictive covenants under our respective financing arrangements. If we are unable to raise adequate capital in a timely manner and on acceptable terms, or at all, our business, results of operations and financial condition could be adversely affected.

For details, kindly refer section titled “*Financial Information of the Company*” beginning on Page 169 of this Draft Red Herring Prospectus.

**7. *Our business is dependent on our manufacturing unit and we are subject to certain related risks; Unplanned slowdowns, unscheduled shutdowns or prolonged disruptions in our manufacturing operations could have an adverse effect on our business, results of operations, cash flows and financial condition.***

Our business is dependent on our ability to manage our manufacturing unit situated at Hisar, Haryana including productivity of our workforce, compliance with regulatory requirements or changes in the policies of the state or local governments of this region or the Government of India, lack of access to assured supply of electrical power and water at reasonable costs or any significant social political or economic disturbances, and those instances which are beyond our control, such as the breakdown and failure of equipment or industrial accidents and severe weather conditions and natural calamities or civil disasters and pandemics.

Beyond these operational risks, our manufacturing unit is also exposed to risks arising from regulatory compliance. We must adhere to directives issued by relevant government authorities, and any changes in governmental regulations could impact our business and facilities. Failure to comply with these regulations could result in the revocation of essential licenses, certifications, and permits, ultimately jeopardizing our ability to continue operating from our current locations. This highlights the importance of maintaining a proactive approach to regulatory changes and ensuring consistent adherence to all applicable laws and guidelines.

Furthermore, disruptions caused by machinery breakdowns at our manufacturing unit could lead to a reduction in production levels, directly impacting our earnings. In the event of prolonged interruptions, we might be compelled to import supplies and products to meet our production demands, which could negatively affect our profitability. Replacing facilities and equipment on a timely and cost-effective basis would be a complex and expensive undertaking. Moreover, catastrophic events could destroy our inventory stored at our units and warehouse. Such disruptions could also cause delays in the shipment of raw materials from our suppliers and the delivery of products to our dealers.

While we have not experienced such catastrophic events in the past, the potential for their occurrence remains a significant concern. Any future event of this nature could result in the temporary or long-term closure of our manufacturing units, severely disrupting our business operations and materially and adversely affecting our business, results of operations, cash flows, and overall financial condition. Therefore, we prioritize risk mitigation strategies and contingency planning to minimize the potential impact of such events and ensure the continuity of our operations.

**8. We may not be able to adequately protect or continue to use our intellectual property.**

As on the date of this Draft Red Herring Prospectus, we have 08 trademark registered in our name and 1 design registrations in India while we have 08 trademarks under process of registration or are objected by third parties against which replies have been filed. For details of our intellectual property rights, see **“Government and Other Approvals”** and **“Our Business”** on page 239 and 111, respectively, of this Draft Red Herring Prospectus.

We do not have any control over the registration of a trademark and same may also be opposed by third parties that claim to have prior or superior rights. Such actions are not within our control and can severely impact business and may result in requirement to undertake rebranding exercises, all of which result in additional costs for us and could also impact our reputation. We routinely monitor third party trademarks, including domain names, by keeping a check on the use of our trademarks. However, it is possible that we are not aware of misuse of our trademarks and this could potentially cause loss of our reputation, which could impact our business and may even affect our goodwill. The use of a deceptively similar or identical third-party mark may result in a loss/injury to us. Such an action may also become a lengthy and costly exercise for us and may not always be in our favour.

**9. The restated financial statements have been provided by peer reviewed chartered accountants who is not statutory auditor of our company.**

The restated financial statements of our Company for the period ended on September 30, 2024 and financial year ended March 31 2024, 2023 and 2022 have been furnished by a peer-reviewed chartered accountant who is not the statutory auditor of our Company. While our statutory auditor possesses a valid peer reviewed certificate, due to their existing commitments, the task of providing the restated financial statements was entrusted to the aforementioned peer-reviewed chartered accountant.

**10. We have experienced negative operating cash flows in the past. Any operating losses or negative cash flows in the future could adversely affect our results of operations and financial conditions.**

As per our Restated Financial Statements, our cash flows are as set out below: -

(Amount in Rs. Lakhs)

Particulars	For the period and year ended			
	30-Sept-2024	31-Mar-2024	31-Mar-2023	31-Mar-2022
Net cash from operating activities	(524.48)	110.36	(92.17)	(312.69)
Net cash flow from investing activities	(166.27)	(464.35)	(437.38)	(49.38)
Net cash flow from financing activities	698.17	349.28	536.76	364.81

Cash flow of a company is a key indicator to show the extent of cash generated to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. Any operating losses or negative cash flows could adversely affect our results of operations and financial conditions. If we are not able to generate sufficient cash flows, it may adversely affect our business and financial operations.

For details, kindly refer section titled “**Financial Information of the Company**” beginning on Page 169 of this Draft Red Herring Prospectus.

**11. We do not own the registered office and warehouse from which we carry out and will be carrying out our business activities. In case of non-renewal of lease agreements or dispute in relation to use of the said premise/s, our business and results of operations can be adversely affected.**

Our registered office and warehouse from which we carry out our business activities is being taken by us on rent. However, said registered office is owned by our promoter group. In the event of termination/non-renewal of said lease agreements, we may be required to vacate the said premises which may cause disruption in our business and inventory management, corporate affairs and impede our effective operations which could impact on our business operations until we get suitable alternative premises. For details of duration of lease agreements for registered office and warehouse, please refer to the section titled “**Our Business**” beginning on page 111 of this Draft Red Herring Prospectus.

There can be no assurance that we will, in the future, be able to continue to renew the lease agreement on same or similar terms, or will be able to find alternate locations for the registered office and warehouse on similar terms favourable to us, or at all. We may also fail to negotiate the renewal of our lease agreement, either on commercially acceptable terms or at all, which could result in increased rental rates for subsequent renewals or searching of new premises, affecting our financial condition and operations. In the event that the lease agreement is terminated or they are not renewed on commercially acceptable terms, we may suffer a disruption in our manufacturing operations which could affect our business, financial condition and results of operations.

**12. Our business is working capital intensive and hence, Inventories and trade receivables form a major part of our current assets. Failure to manage our inventory and trade receivables could have an adverse effect on our sales, profitability, cash flow and liquidity.**

Our Company’s business is working capital intensive and hence, inventories and trade receivables form a major part of our current assets. The results of operations of our business are dependent on our ability to effectively manage our inventory and trade receivables. To effectively manage our inventory, we must be able to accurately estimate customer demand / potential orders and supply requirements and purchase new inventory accordingly. Though there is no past instance of over or under estimation of inventory, if we misjudge expected customer demand / potential orders, it could cause either a shortage of products or an accumulation of excess inventory. During the period ending September 30, 2024 and fiscal year ending 2023-24, 2022-23 and 2021-22 our inventories were Rs. 3,032.67 Lakhs, Rs. 1,352.11 Lakhs, Rs. 648.73 Lakhs and Rs. 580.86 Lakhs respectively.

To effectively manage our trade receivables, we must be able to accurately evaluate the credit worthiness of our dealers and ensure that suitable terms and conditions are given to them in order to ensure our continued relationship with them. Moreover, since most of our sales are based on orders received from dealers as per their requirements, if we fail to accurately evaluate the credit worthiness of our dealers, 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. During the period ending September 30, 2024 and fiscal year 2023-24, 2022-23 and 2021-22 our trade receivables were Rs. 134.59 lakhs, Rs. 160.88 lakhs, Rs. 98.32 lakhs and Rs. 26.37 lakhs respectively.

Though there is no past instance on non-recovery of dues from our trade receivables, there can be no assurance that the progress payments and the retention money will be remitted by our customers to us on a timely basis or that we will be able to efficiently manage the level of bad debt arising from such payment practice. We may be subject to working capital risks due to delays or defaults in payment by our dealers, which may restrict our ability to procure raw materials and make payments when due. In addition, any delay or failure on our part to supply the required quantity or quality of products, within the time stipulated by our agreements, to our dealers may in turn cause delay in payment or refusal of payment by the dealer. Such defaults/delays by our dealers in meeting their payment obligations to us may have a material effect on our business, financial condition and results of operations.

For details, kindly refer section titled “**Financial Information of the Company**” beginning on Page 169 of this Draft Red Herring Prospectus.

**13. Our business is dependent on the sale of our products to certain key dealers. The loss of any of these dealers or loss of revenue from sales to these dealers could have a material adverse effect on our business, financial condition, results of operations and cash flows.**

During the stub period ended on September 30, 2024 and Fiscal 2024, 2023 and 2022 revenue generated from our top 10 dealers were Rs. 2,291.52 lakhs, Rs. 3,685.07 lakhs, Rs. 2,589.73 lakhs and Rs. 747.57 lakhs which represented 30.44%, 39.03%, 50.53% and 57.98%, respectively of our revenues from operations for the said periods. Our largest dealer, contributed to approximately 6.12%, 7.18%, 14.81% and 20.65% of our revenue from operations for respective periods mentioned above.

We have not entered into long term agreements with these dealers and the success of our business is significantly dependent on maintaining good relationship with them. The loss of a significant dealer or dealers could have a material adverse effect on our results of operations. We cannot assure you that we will be able to maintain the historical levels of business from these dealers or that we will be able to substitute the revenues lost by way of termination of work with these dealers. Our dependence on these dealers also exposes us to risks associated with their internal management, financial condition and creditworthiness, and major events affecting these dealers such as bankruptcy, change of management, mergers and acquisitions, reduction in growth or a slow-down in the business of our dealers, could adversely impact our business. If any of our major dealer becomes bankrupt or insolvent, we may lose some or all of our business from that dealer and our receivables from that dealer may have to be written off, adversely impacting our results of operations and financial condition. Though we have not faced any such instance in past, there is no guarantee that all or any of our dealers will honor their outstanding amounts in time and whether they will be able to fulfil their obligations, due to any financial difficulties, cash flow difficulties, deterioration in their business performance, or a downturn in the global economy. If such events or circumstances occur from all or any of our major dealers, our financial performance and our operating cash flows may be adversely affected.

For details related to sale of our products, kindly refer section titled “*Financial Information of the Company*” beginning on Page 169 of this Draft Red Herring Prospectus.

**14. *We may not be able to compete successfully in the highly competitive and fast evolving automotive market***

The Indian automotive sector presents a fiercely competitive landscape, where our ability to maintain a successful market position is not guaranteed. We confront established and emerging competitors, many possessing substantially greater financial reserves, enabling them to invest heavily in vehicle design, development, production, marketing, and customer support. These rivals may also boast superior technical and manufacturing proficiencies, alongside more extensive distribution networks and stronger brand recognition. Should competitor offerings exceed our electric vehicles (EVs) in quality or performance, or if they are priced more competitively, or if consumer perception shifts in their favor, our profitability and operational results could suffer significantly. Furthermore, advancements in internal combustion engine (ICE) technologies, such as improved diesel, hydrogen, ethanol, fuel cells, or compressed natural gas, or enhancements in ICE fuel economy or features, coupled with fluctuations in gasoline prices, pose substantial risks to our business trajectory. The relatively new nature of EV technology has historically hindered widespread adoption, and consumers might perceive ICE vehicles as easier to maintain. Moreover, the emergence of alternative cell technologies, fuels, or energy sources, including those independent of charging infrastructure, could potentially displace EVs as the preferred choice. Our failure to innovate, refine existing technologies, or adapt to evolving technological landscapes could impede the development of new and improved EVs, leading to a loss of competitive edge, reduced revenue, and diminished market share.

**15. *We share the registered office premises with our promoter group entity.***

We share the premises of our registered office with our promoter group entity, Rajdhani Machinery Store. There is no separate lease agreement or sharing agreement between these entities. In case of any dispute, we may suffer a disruption in our operations which could have an adverse effect on our business and operations. Any multiple or overlapping use of the said facilities may create some disruption which may affect our business operations.

**16. *If there are delays in setting up the Proposed manufacturing unit or if the costs of setting up and the possible time or cost overruns related to the Proposed manufacturing unit or the purchase of plant and machinery are higher than expected, it could have a material adverse effect on our financial condition, results of operations and growth prospects.***

To expand our manufacturing capabilities, we are currently in the process of setting up a new manufacturing unit at Patan, Hisar, Haryana. Additionally, to increase business operations, requisite machineries like Conveyor belt, Laser Cutting Machine, Welding Machine, Dip type paint shop, CED line etc. will be purchased and installed. Setting up of new manufacturing unit includes, civil construction and purchase of plant and machineries to be installed and government approvals, permissions and clearances. The land proposed to be used for setting up of new manufacturing unit in Patan, Hisar, Haryana has been taken on lease for a period of 10 years. For further details, see “*Objects of the Offer*” on page 81 of this Draft Red Herring Prospectus

The completion of the setting up of the proposed manufacturing unit is dependent on our ability to arrange finance through Net Proceeds or otherwise, the performance of external agencies which are responsible for inter alia construction of buildings along with installation and commissioning of plant and machinery. We cannot assure you that we will be able to arrange for such finance on time. Our expansion plans remain subject to the potential problems and uncertainties that construction projects face including cost overruns or delays, labor shortages, increased costs of equipment or manpower, inadequate performance of the equipment and machinery installed in our manufacturing unit, delays in completion, defects in design or construction, the possibility of unanticipated future regulatory restrictions, delays in receiving governmental, statutory and other regulatory approvals, incremental pre-operating expenses, environment and ecology costs and other external factors which may not be within the control of our management. There can be no assurance that our budgeted costs may be sufficient to meet our proposed capital expenditure requirements. If our actual capital expenditures significantly exceed our budgets, or even if our budgets were sufficient to cover these projects, we may not be able to achieve the intended economic

benefits of these projects, which in turn may materially and adversely affect our financial condition, results of operations, cash flows, and prospects. Further, we cannot assure you that the performance of external agencies will meet the required specifications or performance parameters. We may not be able to identify suitable replacement external agencies in a timely manner. If the performance of these agencies is inadequate in terms of the requirements, this may result in incremental cost and time overruns.

The estimated costs as reflected in “**Objects of the Offer**” for setting up the proposed manufacturing unit are based on the certificate dated March 27, 2025 given by Sanjiv Kumar, Chartered Engineer, and are based on management’s estimates and current conditions which are subject to change, owing to prospective changes in external circumstances, costs and other financial conditions.

Our return on our investment depends upon, among other things, successful implementation of our strategy, competition, demand of our products, government policies, interest rates and general economic conditions. If our return on investment does not meet our or market expectations, this could materially and adversely affect our business, cash flows, results of operations and financial condition.

**17. The Company has not placed orders of plant & machinery for our proposed object as specified in the Objects of the Offer. Any delay in placing orders, procurement of plant & machinery may delay our implementation schedule and may also lead to increase in price of these plant & machinery and equipment, further affecting our revenue and profitability.**

We intend to use a part of the Net Proceeds towards funding of capital expenditure towards purchase of additional plant and machinery for usage in the manufacturing unit/s which will be used for further production of electric vehicles. For further information, refer “**Objects of the Offer**” on page 81 of this Draft Red Herring Prospectus. Our expansion plans remain subject to the potential problems and uncertainties including cost overruns or delays. Problems that could adversely affect our expansion plans include increased costs of equipment, inadequate performance of the equipment and machinery to be installed at our manufacturing unit/s, delays in completion, the possibility of unanticipated future regulatory restrictions, delays in receiving governmental, statutory and other regulatory approvals, incremental pre- operating expenses, taxes and duties, interest and finance charges, working capital margin and other external factors which may not be within the control of our management. There can be no assurance that the proposed expansions will be completed as planned or on schedule, and if they are not completed in a timely manner, or at all, our budgeted costs may be insufficient to meet our proposed capital expenditure requirements. If our actual capital expenditures significantly exceed our budgets, or even if our budgets were sufficient to cover these projects, we may not be able to achieve the intended economic benefits of these projects, which in turn may materially and adversely affect our financial condition, results of operations, cash flows, and prospects. There can be no assurance that we will be able to complete the aforementioned expansion and additions in accordance with the proposed schedule of implementation and any delay could have an adverse impact on our growth, prospects, cash flows and financial condition.

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

Our capacity utilization levels are dependent on our ability to carry out uninterrupted operations at manufacturing unit as well as on the market demand of the products sold by us. Among others, the capacity utilization also depends upon the availability of raw materials, labor, industry/ market conditions and procurement practice followed by our customers. For the period ending September 30, 2024 and in Fiscals 2024, 2023 and 2022, our overall capacity utilization is detailed below:

Particulars	For the period and year ended on			
	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Installed Capacity (nos.)	36,000	72,000	18,000	18,000
Actual Production (nos.)	16,435	19,758	11,227	3,039
Capacity Utilization (in %)	45.66%	27.45%	62.37%	16.88%

*\*For the 6-month Period*

*The information related to the installed capacity is based on the certificate received from Sanjiv Kumar, Chartered Engineer, vide their certificate dated March 21, 2025.*

In the event we are unable to achieve considerable capacity utilization of our current manufacturing unit, it would result in operational inefficiencies which could have a material adverse effect on our business, results, financial condition and future prospects. Under-utilization of our manufacturing capabilities over extended periods, or significant under-utilization in the short-term, could materially and adversely impact our business, growth prospects and future financial performance.

**19. Our insurance coverage may not be adequate to protect us against all potential losses to which we may be subject and this may have a material effect on our business and financial condition.**

Our operations are subject to accidents which are inherent to any business such as risks of employee accidents, fire, earthquakes, flood



and other force majeure events, acts of terrorism and explosions including accidents that may cause injury and loss of life, severe damage to and the destruction of property and equipment and environment. We have taken FG Bharat Laghu Udyam Suraksha Policy from Future Generali India Insurance Company Limited for our corporate office and manufacturing unit, which covers building, plant & machinery, furniture & stock insurance from loss due to Fire, Earthquake, Storm, tempest, flood etc. Further, we have taken theft insurance Policy for our manufacturing unit and warehouse from Future Generali India Insurance Company Limited which covers loss due to theft and riots, strikes and malicious damage. Additionally, we have taken Marine Insurance policy to cover loss of goods in transit from Future Generali India Insurance Company Limited. Along with the same, we have taken Vehicle Insurance policy, Keyman Insurance Policy for executive directors. For the safety of employees, we have also taken employee compensation insurance from Go Digit General Insurance Ltd. We have also availed Public Liability Insurance (Industrial Risks) Policy from ICICI Lombard General Insurance Company Limited which provides coverage at our corporate office and manufacturing unit. For details of insurance policies, see “**Our Business**” on page 111 of this Draft Red Herring Prospectus.

While we believe that we maintain insurance coverage in adequate amounts consistent with size of our business, our insurance policies do not cover all risks. We have not insured ourselves for group personal accident, group medical insurance, product liability claims insurance and Cash in Transit insurance. Failure to effectively cover ourselves against the associated risks may potentially lead to material losses. Though, we have not faced any such instance in past, there can be no assurance that our insurance policies will be adequate to cover the losses/ damages suffered or that such insurance coverage will continue to be available on reasonable terms or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim. If we suffer a significant uninsured loss or if insurance claim in respect of the subject matter of insurance is not accepted or any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition and results of operations may be materially and adversely affected.

**20. If our electric vehicles contain defects, do not perform as per industry standards and/or fail to meet the performance levels as advertised, our brand and reputation and our ability to develop, market and sell our electric vehicles could be adversely impacted, and we may face legal actions taken against us.**

In the EV industry, we have a limited operating history in manufacturing, assembling, and supplying electric vehicles. While any EV that we deliver must meet the relevant standards prescribed by the Automotive Research Association of India (“ARAI”) and the Automotive Industry Standards as amended from time to time, these testing and approval protocols may not succeed in identifying and addressing all latent, potential and other defects. We cannot assure you that we will be able to detect and fix any defects in the EVs on a timely basis, or at all. Any defects or any other failure of our EVs to perform or operate as advertised could harm our reputation and result in negative publicity, loss of revenue, delivery delays, product liability claims, harm to our Brand and incur significant expenses including warranty claims, cause us to be subject to potential lawsuits, diversion of our management’s attention and other resources that could materially and adversely affect our business, financial condition, results of operations and prospects. In addition, there could be negligence or failure to follow protocols by our employees or third-party service providers. If any of our EVs or EV components procured from suppliers prove to be defective or noncompliant with applicable government motor vehicle safety standards, due to human error, or otherwise, we may face legal actions taken against us.

**21. Our electric vehicles make use of batteries which are made up of lithium-ion cells, and if such cells catch fire or vent smoke and flames, we could be subject to adverse publicity and our brand, business, financial condition, results of operations and prospects could be harmed.**

The battery packs that we purchase from third-party suppliers use lithium-ion cells. Lithium-ion cells have been known to occasionally release energy by venting smoke and flames in a manner that can ignite nearby materials as well as other lithium-ion cells, thereby causing explosion or fire. Also, battery packs may still experience failure which in turn can fail our EV’s which could subject us to lawsuits or redesign efforts, all of which would be time consuming and expensive. We may also become subject to product liability claims which could require us to pay substantial monetary compensation might not be sufficient to cover all such potential product liability claims. This in turn could affect our business and financial condition. In addition, negative public perceptions regarding the suitability of lithium-ion cells for automotive use or any future incident involving lithium-ion cells such as an EV catching on fire or other fire-related incidents not involving our EVs, could seriously harm our business.

**22. Any changes in the regulatory framework could adversely affect our operations and growth prospects.**

Our Company is subject to various regulations and policies. For details see section titled “**Key Industrial Regulations and Policies**” beginning on page no. 126 of this Draft Red Herring Prospectus. Our business and prospects could be materially adversely affected by changes in any of these regulations and policies, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations. There can be no assurance that our Company will succeed in obtaining all requisite regulatory approvals in the future for our operations or that compliance issues will not be raised in respect of our operations, either of which could have a material adverse effect on our business, financial condition and results of operations.

**23. *If we are unable to manage our growth effectively and further expand into new markets or penetrate existing markets /areas our business, future financial performance and results of operations could be materially and adversely affected.***

The success of our business will depend on our ability to effectively implement our business and growth strategy. As part of our growth strategy, we aim to, among other things, continue to grow our businesses as and when opportunities exist including by continuing to strengthen our existing product portfolio with attractive growth and profitability prospects, to strive for cost efficiency, attracting and retaining talented employees and focusing on consistently meeting quality standards

As we continue to grow our business and expand into new markets or penetrate existing markets/ areas, we may face several challenges, including as set forth below:

- a) Signing new dealers/acquiring new customers;
- b) identifying customer requirements and preferences in such markets;
- c) making accurate assessments of the resources we will require;
- d) preserving a uniform culture, values and work environment;
- e) developing and improving our internal administrative infrastructure, particularly our financial, operational, communications, internal control and other internal systems;
- f) recruiting, training and retaining sufficient skilled management, technical and marketing personnel;
- g) maintaining high levels of customer satisfaction; and
- h) adhering to expected performance and quality standards.

In pursuing our growth strategy, we will require additional working capital, which may have a material impact on our cash flows and results of operations. Our operating expenses and working capital requirements may increase significantly pursuant to our expansion plans. Our ability to manage our growth effectively requires us to forecast accurately our sales, growth and operational capacity and to expend funds to improve our operational, financial and management controls, reporting systems and procedures. An inability to implement our future business plan, manage our growth effectively, further expand into new markets or failure to secure the required funding on favourable terms or at all could have a material and adverse effect on our business, future financial performance and results of operations.

**24. *Compliance with, and changes in, safety, health and environmental laws and labour regulations may adversely affect our business, prospects, financial condition and results of operations.***

Our operations are subject to central, state and local laws and regulations relating to the protection of the environment and occupational health and safety, including those governing the generation, handling, storage, use, management, transportation and disposal of, or exposure to, environmental pollutants or hazardous materials resulting from our business processes. Due to the nature of our business, along with extensive and increasingly stringent environmental, health and safety laws and regulations, various labour related laws and regulations are also applicable on us.

The scope and extent of new environmental regulations, including their effect on our operations, cannot be predicted and hence the costs and time required to comply with these requirements could be significant. Amendments to such statutes may impose additional provisions to be followed by our Company and accordingly the Company needs to incur clean-up and remediation costs, as well as damages, payment of fines or other penalties, closure of production facilities for non-compliance, other liabilities and related litigation, could adversely affect our business, prospects, financial condition and results of operations.

**25. *We may be subject to risks associated with product warranty.***

We are subject to risks associated with the product warranties, supply of defective products within the warranty periods stipulated for our products. We usually provide warranty against manufacturing defects in our products. Any defects in the finished products may result in invocation of such warranties issued by us and may require repair or replacement resulting in additional costs to the company. There can be no assurance that we will be able to successfully defend or settle such claims and lawsuits against defective products. Multiple instances of manufacturing defects in our products or any product liability claim against us could generate adverse publicity leading to a loss of reputation, customers and/or increase our costs, thereby materially and adversely affecting our reputation, business, results of operations, financial conditions and cash flows.

**26. *Adverse publicity regarding our products could negatively impact us.***

Our company operates in a highly competitive industry where consumer perception and trust are paramount. Negative publicity, whether stemming from concerns about the efficacy or safety of our own products or those of our competitors, poses a significant risk to our business.

Such negative publicity, even if unfounded, can severely damage our reputation, erode consumer confidence, and lead to a decline in demand for our products. This decreased demand directly impacts our ability to acquire new customers and maintain existing sales volumes, ultimately resulting in a decline in revenue generation and cash flow. Furthermore, negative publicity can disrupt our operational activities, including production, distribution, and customer service. It can also necessitate significant financial resources to address the concerns raised, such as conducting further research, implementing corrective measures, and engaging in public relations and legal efforts to mitigate the damage. These unforeseen expenses can strain our financial resources, potentially impacting our ability to meet our operating cash flow requirements and hindering our overall growth and profitability.

**27. Our results of operations may vary significantly from period to period due to the seasonality of our business.**

Our results of operations may vary significantly from period to period due to many factors, including seasonal factors that may affect the demand for our EVs. Demand for E-2W increases again during the festive season between September and November. Such seasonal factors may also impact demand for our EVs. It is difficult for us to judge the exact nature or extent of the seasonality of our business. Also, any unusually severe weather conditions in certain regions may impact demand for our EVs. Our results of operations could also suffer if we do not achieve revenue consistent with our expectations for this seasonal demand because many of our expenses are based on anticipated levels of annual revenue.

As a result of these factors, we believe that period-to-period comparisons of our results of operations are not necessarily meaningful and that these comparisons cannot be relied upon as indicators of future performance. Moreover, our results of operations may not meet expectations of equity research analysts or investors. If this occurs, the trading price of our shares could fall substantially either suddenly or over time.

**28. We are exposed to foreign currency fluctuation risks, particularly in relation to import of products, which may affect our results of operations, financial condition and cash flows.**

We present our financial statements in Indian Rupees. We import our products mainly from China and for the period ending September 30, 2024 and FY ending March 31, 2024, March 31, 2023 and March 31, 2022 we made primary purchases through import constituting 73.72%, 54.43%, 48.21% and 64.20% of total raw material purchased for respective periods. Although we generally seek to pass exchange rate fluctuations to our customers through increases in our prices, there can be no assurance that we will be able to do so immediately or fully, which could affect our business, financial condition, results of operations and cash flows. For details, Section titled **“Financial Information of the Company”** of this Draft Red Herring Prospectus.

The exchange rate between the Indian Rupee and foreign currencies, has fluctuated in the past and our results of operations have been impacted by such fluctuations in the past and may be impacted by such fluctuations in the future. For example, during times of weakening of the Indian Rupee, we expect that our import costs will generally be negatively impacted as rupee required to make foreign payments will be high. However, the converse positive effect of appreciation in the Indian Rupee may not be sustained or may not show an appreciable impact in our results of operations in any given financial period due to other variables impacting our business and results of operations during the same period. Accordingly, any appreciation or depreciation of the Indian Rupee against foreign currencies can impact our results of operations.

We may from time to time be required to make provisions for foreign exchange differences in accordance with accounting standards. Our ability to foresee future foreign currency fluctuations is limited and due to the time gap between the accounting of purchases and actual payment, the foreign exchange rate at which the purchase is recorded in the books of accounts may vary with the foreign exchange rate at which the inward is made, thereby benefiting or affecting us negatively, depending on the appreciation or depreciation of the Rupee. We may, therefore, be exposed to risks arising from exchange rate fluctuations and we may not be able to pass on all losses on account of foreign currency fluctuations to our customers, and as a result, suffer losses on account of foreign currency fluctuations. There is no guarantee that we may be able to manage our foreign currency risk effectively or mitigate exchange exposures, at all times and our inability may harm our results of operations and cause our results to fluctuate and/or decline. We may experience foreign exchange losses and gains in respect of transactions denominated in foreign currencies. Thus, our global operations expose us to foreign exchange rate risks, arising primarily from our payables. There can be no guarantee that such fluctuations will not affect our financial performance in the future as we continue to expand our operations globally.

**29. We have incurred indebtedness which exposes us to various risks which may have an effect on our business and results of operations.**

Our ability to borrow and the terms of our borrowings will depend on our financial condition, the stability of our cash flows, general market conditions, economic and political conditions in the markets where we operate and our capacity to service debt. As on September 30, 2024, our total outstanding indebtedness was Rs. 2,197.05 lakhs.

Our significant indebtedness in future may result in substantial amount of debt service obligations which could lead to:

1. increasing our vulnerability to general adverse economic, industry and competitive conditions;
2. limiting our flexibility in planning for, or reacting to, changes in our business and the industry;
3. affecting our credit rating;
4. limiting our ability to borrow more money both now and in the future; and
5. increasing our interest expenditure and adversely affecting our profitability.

If the loans are recalled on a shorter notice, we may be required to arrange for funds to fulfil the necessary requirements. The occurrence of these events may have an effect on our cash flow and financial conditions of the company. For further details regarding our indebtedness, see **“Statement of Financial Indebtedness”** on page 220 of this Draft Red Herring Prospectus.

**30. Information relating to our installed capacities and the historical capacity utilization of our manufacturing facility included in this Draft Red Herring Prospectus is based on various assumptions and estimates and future production and capacity utilization may vary.**

Information relating to our installed capacities and the historical capacity utilization of our manufacturing facility included in this Draft Red Herring Prospectus is based on various assumptions and estimates of our management, including proposed operations, assumptions relating to availability and quality of raw materials and assumptions relating to potential utilization levels and operational efficiencies. Though the details related to our installed capacities and actual utilization is certified by Sanjiv Kumar, Chartered Engineer, vide certificate dated March 21, 2025, the Actual utilization rates may differ significantly from the estimated installed capacities or historical estimated capacity utilization information of our facilities. Undue reliance should therefore not be placed on our installed capacity or historical estimated capacity utilization information for our existing facilities included in this Draft Red Herring Prospectus.

**31. We have in the past entered into related party transactions and may continue to do so in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our Company’s financial condition and results of operations.**

We have entered into various transactions with our Directors/ Promoters and Promoter Group members. These transactions, inter-alia include, remuneration, interest, Purchase, Sales, loans and advances, etc. For details, please refer to **“Annexure – VIII: Restated Statement of Related Party Transaction”** under Section titled **“Financial Information of the Company”** of this Draft Red Herring Prospectus. Our Company has entered such transactions due to easy proximity and quick execution on arms-length price in compliance with provisions of Companies Act 2013 and other applicable laws. Although all related-party transactions that we may enter into in the future are subject to approval by Board or shareholders, as required under the Companies Act, we cannot assure you that such future transactions or any other future transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operations or that we could not have achieved more favorable terms if such transactions are not entered into with related parties.

Furthermore, it is likely that we may enter into related party transactions in the future. Any future transactions with our related parties could potentially involve conflicts of interest. Accordingly, there can be no assurance that such transactions, individually or in the aggregate, will not have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.

**32. Dependence upon transportation services for supply and transportation of our products are subject to various uncertainties and risks, and delays in delivery may result in rejection of products by customer.**

We do not have an in-house transportation facility and we rely on third party transportation and other logistic facilities at every stage of our business activity including for transportation of raw materials from various destinations and for transportation of our finished products to our dealers. For this purpose, we engage services of transportation companies. However, we have not entered into any definitive agreements with any third-party transport service providers and engage them on a need basis. Additionally, availability of transportation solutions in the markets we operate in is typically fragmented. The cost of our goods carried by such third-party transporters is typically much higher than the consideration paid for transportation, due to which it may be difficult for us to recover compensation for damaged, delayed or lost goods.

Our operations and profitability are dependent upon the availability of transportation and other logistic facilities in a time and cost-efficient manner. Accordingly, our business is vulnerable to increased transportation costs, transportation strikes and lock-outs, shortage of labor, delays and disruption of transportation services for events such as weather-related problems and accidents. Further, movement of goods encounters additional risks such as accidents, pilferage, spoilage and our inability to claim insurance may adversely affect our operations, results of operations and financial condition. Although we have not experienced any material logistics and transport related disruptions in the past, any prolonged disruption or unavailability of such facilities in a timely manner could result in delays or non-

supply or may require us to look for alternative sources which may not be cost-effective, thereby adversely affecting our operations, results of operations, cash flows and financial condition.

**33. *We are dependent upon the experience of our management team and KMPs. If we are unable to attract or retain such team, this could adversely affect our business, results of operations and financial condition.***

We are dependent on the experienced management team for successful business operations. Our ability to meet continued success and future business challenges depends on our ability to attract, recruit and retain experienced, talented and skilled personnel. The loss of the services of our key personnel or our inability to recruit or train a sufficient number of experienced personnel or our inability to manage the attrition levels in different employee categories may have an adverse effect on our financial results and business prospects.

In the event that we are not able to attract and retain talented employees as required for conducting our business, or if we experience high attrition levels which are largely out of our control, or if we are unable to motivate and retain existing employees, our business, results of operations and financial condition may be adversely affected. For further information, see “***Our Management***” on page 148 of this Draft Red Herring Prospectus.

**34. *Our actual results could differ from the estimates and projections used to prepare our financial statements.***

The estimates and projections are based on and reflect our current expectations, assumptions and/ or projections as well as our perception of historical trends and current conditions, as well as other factors that we believe are appropriate and reasonable under the circumstances. There can be no assurance that our expectations, estimates, assumptions and/or projections, including with respect to the future earnings and performance will prove to be correct or that any of our expectations, estimates or projections will be achieved.

**35. *Our Company has taken unsecured loans that may be recalled by the lenders at any time.***

Our Company have availed unsecured loans which may be called by its lenders at any time. As on September 30, 2024, we had an outstanding unsecured loan amounting to Rs. 183.08 lakhs. In the event that lender seeks a repayment of any such loan, our Company would need to find alternative sources of financing to the extent of outstanding balance. As a result, any such demand may affect our business, cash flows, financial condition and results of operations. For further details on financing arrangements entered into by our Company, please refer chapter titled “***Statement of Financial Indebtedness***” beginning on page 220 of this Draft Red Herring Prospectus.

**36. *Our lenders have charge over properties in respect of finance availed by us.***

We have secured our lender by creating a charge over our immovable property of the company, in respect of loans and facilities availed by us from HDFC Bank and Punjab National Bank. We have been extended such loan against hypothecation of our company’s immovable assets, movable assets and promoter’s assets.

For further information on the financing and loan agreements along with the total amounts outstanding and the details of the repayment schedule, please refer to chapter “***Statement of Financial Indebtedness***” beginning on page 220 of this Draft Red Herring Prospectus.

**37. *Loans availed by our company has been secured on personal guarantees of our promoter and director and promoter group. Our business, financial condition, results of operations, cash flows and prospects may be adversely affected in case of invocation of any personal guarantees provided by our directors.***

Our Promoter & Director i.e. Niraj Arya and promoter group inclusive of relative of promoters and promoter group entity have provided personal guarantee to secure our existing borrowings taken from the banks and may continue to provide such guarantees and other security post listing. In case of a default under our loan agreements, any of the personal/corporate guarantees provided by the aforesaid may be invoked which could negatively impact their reputation and net worth. Also, we may face certain impediments in taking decisions in relation to our Company, which in turn would result in a material adverse effect on our financial condition, business, results of operations and prospects and would negatively impact our reputation. We may also not be successful in procuring alternate guarantees/ alternate security satisfactory to the lenders, as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows.

For further details regarding loan availed by our Company, please refer “***Statement of Financial Indebtedness***” on page 220 of this Draft Red Herring Prospectus.

**38. *We may not be successful in implementing our business strategies.***

The success of our business depends substantially on our ability to implement our business strategies effectively. Even though we have successfully executed our business strategies in its first year of operation, there is no guarantee that we can implement the same on time and within the estimated budget going forward or that we will be able to meet the expectations of our targeted customers. Changes in regulations applicable to us may also make it difficult to implement our business strategies. Failure to implement our business strategies would have a material adverse effect on our business and results of operations.

**39. *Customers may cancel their purchase orders of our products despite their deposit payment, thus harming our business, prospects, financial condition and results of operations.***

Customer issue purchase orders for our products which may not result in actual purchase. Customers may cancel their purchase orders for reasons beyond our control, such as changes in their preferences, their perception of the quality of our products and their financial situation. Further, the time taken to process orders may impact customer purchase decisions. If we encounter delays in the deliveries of our products a significant number of orders may be cancelled. We may, in the future, also experience a higher level of customer cancellations, such as due to changes in government incentive schemes. Such occurrences could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows. We experience a higher rate of cancellations on pre-orders than on confirmed orders for which customers have paid in full.

**40. *Any failure to adapt to industry trends and evolving technologies to meet our customers' demands may materially and adversely affect our business and results of operations***

Changes in customers' preferences, regulatory or industry requirements, or competitive technologies may render certain of our products obsolete or less attractive. Our ability to anticipate and successfully develop and introduce new or enhanced products on a timely basis may impact our revenue and results of operation. Our competition varies by customer requirements, geographic areas and type of product. Our customers consider many factors when choosing suppliers, including product quality, technology, breadth of product portfolio, cost, delivery and service, as well as quality and depth of business relationships, and other business factors. There can be no assurance that we will be able to secure the necessary technological knowledge to enable us to develop our product portfolio as planned. Our failure to successfully adopt such technologies in a cost effective and a timely manner may increase our costs and lead to us being less competitive.

**41. *None of our Directors, except one independent director, possesses experience of being on the board of any listed company.***

None of our Directors, except one independent director i.e. Sulabh Jain, possesses experience of serving on the board of any listed company and accordingly, may not be adequately well-versed with the activities or industry practices undertaken by the listed company. We cannot assure you that this lack of adequate experience will not have any adverse impact on the management and operations of our Company. Further, our Company will also be subject to compliance requirements under the SEBI Listing Regulations and other applicable law post listing of the Equity Share on the Stock Exchanges. Our Board is capable of efficiently managing such compliance requirements including by engaging professionals having expertise in managing such compliances.

**42. *We have issued Equity Shares in the last 12 months at a price which could be lower than the Offer Price.***

Except for bonus issue made on February 12, 2025 for 1,65,00,000 Equity Shares of face value of Rs. 10 each in the ratio of 550:1, our Company has not issued any Equity Shares at a price lower than the Offer Price during the period of one year preceding the date of this Draft Red Herring Prospectus. For details, please refer to section titled "**Capital Structure**" on page 69 of this Draft Red Herring Prospectus.

**43. *Our industry is labour intensive and our business operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees or those of our suppliers.***

We believe that the industry in which we operate faces competitive pressures in recruiting and retaining skilled and unskilled labor. Our industry being labor intensive is highly dependent on labor force for carrying out its business operations. Shortage of skilled / unskilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations. We have not experienced any major disruptions in our business operations due to disputes or other problems with our work force in the past, however there can be no assurance that we will not experience any such disruptions in the future. Such disruptions may adversely affect our business and results of operations and may also divert the management's attention and result in increased costs.

India has stringent labor legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers

upon retrenchment. We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits. Although our employees are not currently unionized, there can be no assurance that they will not unionize in the future. If our employees unionize, it may become difficult for us to maintain flexible labor policies, and we may face the threat of labor unrest, work stoppages and diversion of our management's attention due to union intervention, which may have a material adverse impact on our business, results of operations and financial condition.

**44. *Our Promoters and the Promoter Group will jointly continue to retain majority shareholding in our Company after the offer, which will allow them to determine the outcome of the matters requiring the approval of shareholders***

Our Promoters and Directors are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding in our Company or their relatives, dividend entitlement, properties given by them on lease/rental basis by relatives of the promoter or loans advanced by them to the Company and benefits deriving from the directorship in our Company. There can be no assurance that our Promoters will exercise his rights as shareholder to the benefit and best interest of our Company. Our Promoters will continue to exercise significant control over us, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting of shareholders, and our other shareholders may be unable to affect the outcome of such voting. For further information, please refer to the chapters/section titled “**Our Business**”, “**Our Promoter & Promoter Group**” and “**Annexure – VIII: Restated Statement of Related Party Transaction**”, beginning on pages 111, 163 and 193 respectively of this Draft Red Herring Prospectus.

**45. *We are subject to the risk of failure of, or a material weakness in, our internal control systems.***

We are exposed to risks arising from the inadequacy or failure of internal systems or processes, and any actions we may take to mitigate these risks may not be sufficient to ensure an effective internal control environment. Given our high volume of transactions, errors may be repeated or compounded before they are discovered and rectified. Our management information systems and internal control procedures may not be able to identify non-compliance or suspicious transactions in a timely manner, or at all. Where internal control weaknesses are identified, our actions may not be sufficient to fully correct such weaknesses. As a result, we may incur expenses or suffer monetary losses, which may not be covered by our insurance policies and may result in a material effect on our business, financial condition and results of operations.

**46. *Certain key performance indicators for certain listed industry peers included in this Draft Red Herring Prospectus have been sourced from public sources and there is no assurance that such financial and other industry information is complete.***

Pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2022 dated November 21, 2022, we have included certain key performance indicators, comprising financial and operational information, for certain listed industry peers, in the “**Basis for Offer Price**” beginning on page 92 of this Draft Red Herring Prospectus. While our business operates in the electric vehicles industry, these listed industry peers are related to associated industry. Although this information is sourced from and relied upon on the audited financial statements of the relevant listed industry peers for as available on the websites of the Stock Exchanges, including the offer document/annual reports of the respective companies submitted to Stock Exchanges, there is no assurance that this information with respect to industry peers is either complete. There are different methodologies and formulas used to compute the various ratios. See “**Basis for Offer Price**” for more information.

**47. *We may require further equity issuance, which will lead to dilution of equity and may affect the market price of our Equity Shares or additional funds through incurring debt to satisfy our capital needs, which we may not be able to procure and any future equity offerings by us.***

Our growth is dependent on having a strong balance sheet to support our activities. In addition to the IPO Proceeds and our internally generated cash flow, we may need other sources of financing to meet our capital needs which may include entering into new debt facilities with lending institutions or raising additional equity in the capital markets. We may need to raise additional capital from time to time, dependent on business conditions. The factors that would require us to raise additional capital could be business growth beyond what the current balance sheet can sustain; additional capital requirements imposed due to changes in regulatory regime or significant depletion in our existing capital base due to unusual operating losses. Any fresh issue of shares or convertible securities would dilute existing holders, and such issuance may not be done at terms and conditions, which are favorable to the then existing shareholders of our Company. If our Company decides to raise additional funds through the incurrence of debt, our interest obligations will increase, and we may be subject to additional covenants, which could further limit our ability to access cash flows from our operations. Such financings could cause our debt-equity ratio to increase or require us to create charges or liens on our assets in favor of lenders. We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in the delay or abandonment of our expansion plans. Our business and future results of operations may be affected if we are unable to implement our expansion strategy.

Any future issuance of Equity Shares by our Company may dilute shareholding of investors in our Company; and hence affect the trading price of our Company's Equity Shares and its ability to raise capital through an issue of its securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Company's Equity Shares. Additionally, the disposal, pledge or encumbrance of Equity Shares by any of our Company's major shareholders, or the perception that such transactions may occur may affect the trading price of the Equity Shares. No assurance may be given that our Company will not issue Equity Shares or that such shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

**48. *We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Offer proceeds may delay the implementation schedule.***

The proposed fund requirement for our working capital requirements, capital expenditure and repayment of borrowings, as detailed in the section titled "*Objects of the Offer*" is to be funded from the proceeds of this IPO. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Offer proceeds may delay the implementation schedule. We therefore, cannot assure that we would be able to execute our future plans/strategy within the given timeframe. For details, please refer to the Chapter titled "*Objects of the Offer*" beginning on page 81 of this Draft Red Herring Prospectus.

**49. *The company may undertake acquisitions, investments, joint ventures or other strategic alliances, which may have a material adverse effect on ability to manage business, and such undertakings may be unsuccessful.***

We may not realize the anticipated benefits of future strategic alliances, acquisitions, divestitures, or business strategies. We may in the future enter into strategic alliances, including joint ventures or minority equity investments, with various third parties to further our business purpose from time to time. These investments could subject us to a number of risks, including risks associated with sharing proprietary information with and non-performance by third parties, and increases in expenses in establishing new strategic alliances, any of which may materially and adversely affect our business. We may have limited ability to monitor or control the actions of these third parties. To the extent any of the third parties from our strategic alliance, joint venture, acquisition or divestiture investments suffers negative publicity or harm to their reputation from events relating to their businesses, we may suffer negative publicity or harm to our reputation by virtue of our association with any such third party.

We cannot assure you that we will be able to identify suitable acquisition opportunities, negotiate favourable terms or successfully acquire identified targets. While we do not believe we are subject to any significant integration risks on account of the acquisition, the success of such acquisition or other acquisitions that we may undertake from time to time depends, in part, on our ability to realize the anticipated growth opportunities and synergies from integrating these businesses, which requires substantial management attention and efforts as well as additional expenditures.

**50. *The Objects of the Offer for which funds are being raised have not been appraised by any bank or financial institution. Any variation between the estimation and actual expenditure as estimated by the management could result in execution delays or influence our profitability adversely.***

The fund requirement and deployment, as mentioned in the "*Objects of the Offer*" on page 81 of this Draft Red Herring Prospectus is based on the estimates of our management and has not been appraised by any bank or financial institution or any other independent agency. These fund requirements are based on our current business plan. We cannot assure that the current business plan will be implemented in its entirety or at all. In view of the highly competitive and dynamic nature of our business, we may have to revise our business plan from time to time and consequently these fund requirements. The deployment of the funds as stated under chapter "*Objects of the Offer*" is at the discretion of our Board of Directors and will be subject to monitoring by an external independent agency appointed for the purpose. Further, we cannot assure that the actual costs or schedule of implementation as stated under chapter "*Objects of the Offer*" will not vary from the estimated costs or schedule of implementation. Any such variance may be on account of one or more factors, some of which may be beyond our control. Occurrence of any such event may delay our business plans and/or may have an adverse bearing on our expected revenues and earnings.

**51. *The offer consists of Fresh Issue and offer for sale. Our company will not receive any proceeds from the offer for sale. However, three of our Promoters, who are Selling Shareholders, will receive proceeds from the Offer for Sale.***

The Offer consists of a Fresh Issue and Offer for Sale. Offer for Sale will be made by the Selling Shareholders. The entire proceeds of the Offer for Sale will be transferred to the Selling Shareholders, respectively and will not result in any creation of value for us or in respect of your investment in our Company. The entire proceeds from the Offer for Sale will be paid to the Selling Shareholders, and our Company will not receive any proceeds from the Offer for Sale. For further details, see "*Objects of the Offer*" on page 81.



**52. The activities carried out at our manufacturing unit/s can cause injury to people or property in certain circumstances.**

The activities carried out at our manufacturing unit/s may be potentially dangerous to our employees. While we employ safety procedures in the operation of our manufacturing units and maintain what we believe to be adequate insurance, there is a risk that an accident may occur at our manufacturing units. An accident may result in personal injury to our employees, destruction of property or equipment, delivery delays, environmental damage, or may lead to suspension of our operations and/or imposition of liabilities. Although there have been no instances of such accidents in past, but Any such accident may result in litigation, the outcome of which is difficult to assess or quantify, and the cost to defend such litigation can be significant. As a result, the costs to defend any action or the potential liability resulting from any such accident or death or arising out of any other litigation, and any negative publicity associated therewith, may have a negative effect on our business, financial condition, results of operations, cash flows and prospects. Consequently, such events could impact our production schedules, increase costs, impair our ability to meet customer demand, and have a material adverse effect on our business, financial condition, results of operations, cash flows, and future prospects.

**53. Fraud, theft, employee negligence or similar incidents may adversely affect our results of operations and financial condition.**

Our operations may be subject to incidents of theft or damage to inventory. The business may also encounter some inventory loss on account of employee theft, vendor fraud and general administrative error. While we have not experienced any such instance in the past, there can be no assurance that we will not experience any fraud, theft, employee negligence, security lapse or similar incidents in the future, which could adversely affect our results of operations and financial condition. Though we have insurance, losses due to theft, fire, breakage or damage caused by other casualties, could adversely affect our results of operations and financial condition.

We may be subject to instances of fraud, misappropriation, unauthorised acts and misconduct by our representatives and employees which may go unnoticed for certain periods of time before corrective action is taken. Fraudulent and unauthorised conduct by our employees could also bind us to transactions that exceed the scope of authorisation and present significant risks to us. As a result, we may be subject to regulatory sanctions, brand and reputational damage or financial harm.

It is not always possible to deter fraud or misconduct by employees and the precautions we take and the systems we have put in place to prevent and deter such activities may not be effective in all cases. Further, we employ third parties for certain operations and accordingly, we are exposed to the risk of theft and embezzlement. In addition, we may be subject to regulatory or other proceedings in connection with such acts by our employees, which could adversely affect our goodwill.

**54. We are subject to restrictive covenants under our credit facilities that limit our operational flexibility.**

The loan agreements entered into by us with banks contain specific covenants which require us to obtain the prior approval/ permission from the banks on the occurrence of certain events such as formulation of any scheme of amalgamation or reconstruction, undertaking of any new project or expansion, making any substantial change in our management set up, any change in our capital structure resulting in reduction of capital, etc. Further, there can be no assurance that such consents will be granted or that we will be able to comply with the financial covenants under our financing arrangements. In the event we breach any financial or other covenants contained in any of our financing arrangements, we may be required under the terms of such financing arrangements to immediately repay our borrowings either in whole or in part, together with any related costs. This may adversely impact our results of operations and cash flows. For further details on the banking facilities availed, please see “*Statement of Financial Indebtedness*” on page 220 of this Draft Red Herring Prospectus.

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

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, working capital requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholder’s investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see “*Dividend Policy*” on page 168 of this Draft Red Herring Prospectus.

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

This Draft Red Herring Prospectus includes information on Industry in which we operate from various sources. For further details, please see “*Industry Overview*” beginning on page 102 of this Draft Red Herring Prospectus. The data has been furnished by independent

agency on their websites and has no relationship with our Company, its Promoters, Directors, or the Book Running Lead Manager as on the date of this Draft Red Herring Prospectus. The data used in these sources may have been reclassified by us for the purposes of presentation and may also not be comparable. 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. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The investor should not construe any of the contents in the used report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction.

**57. *Technology failures or Cyber-attacks or other security breaches could have a material adverse effect on our business, results of operation or financial condition.***

IT systems are critical to our ability to manage our operations. Our IT systems enable us to coordinate our operations, from planning, material ordering, invoicing, delivery, customer relationship, management and decision support. If we do not allocate and effectively manage the resources necessary to build and sustain the proper IT infrastructure, we could be subject to transaction errors, processing inefficiencies, customer service disruptions and, in some instances, loss of customers.

We face cyber threats, threats to the physical security of our facilities and employees, the potential for business disruptions associated with IT failures, natural disasters, or public health crises. We have installed anti-virus software to prevent our systems and infrastructure from being infected and crippled by computer viruses. Even though we have always been cautious in managing our IT system and have not faced any cyber threats in past, if we are unable to protect sensitive information in future, our customers could question the adequacy of our threat mitigation and detection processes and procedures. Due to the evolving nature of these security threats, the impact of any future incident cannot be predicted.

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

Our Company is engaged in the business of manufacturing, assembling and supply of electric vehicle offering a wide range of E-2Ws and 3Ws 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 late payments or non-payments for any previous year and current year will affect the financial position as well as result of operations of the Company.

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

Our restated statements of assets and liabilities, restated summary statements of profit and loss and cash flows for the period ending September 30, 2024 and Fiscals 2024, 2023 & 2022 have been prepared in accordance with the Indian GAAP. We have not attempted to quantify the impact of US GAAP, IFRS or any other system of accounting principles on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of US GAAP, IFRS or any other accounting principles. Ind AS, US GAAP and IFRS differ in significant respects from Indian GAAP. Accordingly, the degree to which the Restated Financial Information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS, Indian GAAP and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

**60. *We may be subject to surveillance measures, such as the Additional Surveillance Measures (ASM) and the Graded Surveillance Measures (GSM) by the Stock Exchanges which may adversely affect trading price of our Equity Shares.***

SEBI and Stock Exchanges in order to enhance market integrity and safeguard interest of investors, have been introducing various enhanced pre-emptive surveillance measures. The main objective of these measures is to alert and advice investors to be extra cautious while dealing in these securities and advice market participants to carry out necessary due diligence while dealing in these securities. Accordingly, SEBI and Stock Exchanges have provided for (a) GSM on securities where such trading price of such securities does not commensurate with financial health and fundamentals such as earnings, book value, fixed assets, net-worth, price per equity multiple and market capitalization; and (b) ASM on securities with surveillance concerns based on objective parameters such as price and volume variation and volatility.

On listing, we may be subject to general market conditions which may include significant price and volume fluctuations. The price of our Equity Shares may also fluctuate after the Offer due to several factors such as volatility in the Indian and global securities market,

our profitability and performance, performance of our competitors, changes in the estimates of our performance or any other political or economic factor. The occurrence of any of the abovementioned factors may trigger the parameters identified by SEBI and the Stock Exchanges for placing securities under the GSM or ASM framework such as net worth and net fixed assets of securities, high low variation in securities, client concentration and close to close price variation.

In the event our Equity Shares are subject to such pre-emptive surveillance measures implemented by any of the Stock Exchanges, we may be subject to certain additional restrictions in connection with trading of our Equity Shares such as limiting trading frequency (for example, trading either allowed once in a week or a month) or freezing of price on upper side of trading which may have an adverse effect on the market price of our Equity Shares or may in general cause disruptions in the development of an active trading market for our Equity Shares.

**61. *The Equity Shares have never been publicly traded, and, after the offer, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Offer Price, or at all.***

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Offer. Listing and quotation do not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Offer Price of the Equity Shares is proposed to be determined in accordance with the SEBI ICDR Regulations and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

**62. *QIBs and Non-Institutional Bidders are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid and Individual Investors are not permitted to withdraw their Bids after Bid/Offer Closing Date.***

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Individual Bidders can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date. While we are required to complete Allotment, listing and commencement of trading pursuant to the Offer within three (3) Working Days from the Bid/ Offer Closing Date, events affecting the Bidders' decision to invest in our Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows and financial condition may arise between the date of submission of the Bid and Allotment, listing and commencement of trading. We may complete the Allotment, listing and commencement of trading of our Equity Shares even if such events occur and such events may limit the Bidders' ability to sell our Equity Shares Allotted pursuant to the Offer or may cause the trading price of our Equity Shares to decline on listing.

**63. *There is no guarantee that the Equity Shares issued pursuant to the Offer will be listed on the SME Platform of BSE Limited 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 Offer 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 Limited. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

#### **EXTERNAL RISK FACTORS**

**64. *Financial instability in both Indian and international financial markets could adversely affect our results of operations and financial condition.***

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Financial turmoil in Asia, Russia and elsewhere in the world in recent years has adversely affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows. Further, economic developments globally can have a significant impact on our principal markets. Concerns

related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy. Recent developments in the ongoing conflict between Russia-Ukraine, Israel-Palestine has resulted in and may continue to result in a period of sustained instability across global financial markets, induce volatility in commodity prices, increase borrowing costs, cause outflow of capital from emerging markets and may lead to overall slowdown in economic activity in India. In addition, China is one of India's major trading partners and there are rising concerns of a possible slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse impact on the trade relations between the two countries.

***65. 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, 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. 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.

***66. A slowdown in economic growth in India may adversely affect our business, financial condition, cash flows, results of operations and prospects.***

The performance and growth of our business are necessarily dependent on economic conditions prevalent in India, which may be materially and adversely affected by center or state political instability or regional conflicts, a general rise in interest rates, inflation, and economic slowdown elsewhere in the world or otherwise. Further, there have been periods of slowdown in the economic growth of India. India's economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports (oil and oil products), global economic uncertainty and liquidity crisis, volatility in exchange currency rates and annual rainfall which affects agricultural production. Any continued or future slowdown in the Indian economy or a further increase in inflation could have a material adverse effect on the price of our raw materials and demand for our products and, as a result, on our business and financial results. The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the U.S. and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability, including the financial crisis and fluctuations in the stock markets in China and further deterioration of credit conditions in the U.S. or European markets, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business and financial results.

***67. Our business is dependent on the retail sector, and any downturns, economic shifts, or supply chain disruptions could reduce demand for our electric vehicles business.***

We are engaged in the business of manufacturing, assembling and supply of electric vehicle, which is closely tied to the retail sector. Any downturn in the retail market, such as reduced consumer spending, economic recessions, or changes in customer preferences, could result in reducing demand for our products or could require us to pressurize our profit margins. Further, supply chain disruptions or rising material costs could increase production expenses or cause delays, negatively affecting profitability. Increased competition in the electric vehicle market could weaken our market position, and delays in retail supply timelines or failure to adopt new technologies could hinder our growth. These risks could ultimately affect our business performance and financial outcomes

**68. Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.**

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

**69. Changing laws, rules and regulations and legal uncertainties in India, including adverse application of tax laws and regulations, may adversely affect our business and financial performance.**

Our business and financial performance could be adversely affected by changes in law or interpretations of existing, or the promulgation of new, laws, rules and regulations in India applicable to us and our business. For further details, please refer to the chapter “**Government and Other Approvals**” on page 239 for details of the laws currently applicable to us. There can be no assurance that the central or the state governments in India may not implement new regulations and policies which will require us to obtain approvals and licenses from the central or the state governments in India and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the implementation of the new regulations may have a material adverse effect on all our business, financial condition and results of operations. In addition, we may have to incur capital expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations. For instance, the Government has proposed a comprehensive national goods and services tax (“GST”) regime that will combine taxes and levies by the Central and state Governments into a unified rate structure. Given the limited availability of information in the public domain concerning the GST, we are unable to provide any assurance as to the tax regime following implementation of the GST. The implementation of this new structure may be affected by any disagreement between certain state Governments, which could create uncertainty. Any such future amendments may affect our overall tax efficiency, and may result in significant additional taxes becoming payable.

**70. Our business and results of operations could be adversely affected by disruptions in global economic and geo political conditions.**

Our financial performance and growth are necessarily dependent on economic conditions prevalent globally. The global economy may be materially and adversely affected by political instability or regional conflicts; a general rise in interest rates; inflation; exchange rate fluctuations; changes in tax, trade, and monetary policies; occurrence of natural or manmade disasters; downgrade in debt rating; and adverse economic conditions occurring elsewhere in the world, such as a slowdown in economic growth in China, the repercussions of the United Kingdom exit from the European Union and other matters. While the Indian economy has grown significantly in recent years, it has experienced economic slowdowns in the past due to global economic and geo political conditions. The Indian economy in particular could be adversely impacted by inflationary pressures, currency depreciation, the poor performance of its large agricultural and manufacturing sectors, trade deficits, recent initiatives by the Indian government and other factors. Unfavorable changes in the above factors or in other business and economic conditions affecting our customers could result in a corresponding decline in our business.

**71. If certain labour laws become applicable to us, our profitability may be adversely affected.**

India has stringent labour legislations that protect the interests of workers, including legislation that sets forth detailed procedures for dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. Any change or modification in the existing labour laws may affect our flexibility in formulating labour related policies.

**72. Government regulation of foreign ownership of Indian securities may have an adverse effect on the price of the Equity Shares.**

Foreign ownership of Indian securities is subject to government regulation. Under foreign exchange regulations currently in affect in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the rupees proceeds from the sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the Income Tax authorities. There can be no assurance that any approval required from the RBI or any other government agency can be obtained.

**73. Our reliance on plastic and metal industry for purchase of our major components could have an adverse effect on our business.**

Our operations are significantly dependent on the availability and pricing of key materials, primarily engineered plastics and various metals, including but not limited to, high-strength polymers, composites, aluminum, and specialized steel alloys. This reliance on commercial manufacturers for these essential components exposes us to potential risks. Our revenue stream is intrinsically linked to the stability and performance of the plastic and metal industries. Consequently, any disruptions within these sectors, or affecting our specific suppliers, could severely impact our business, financial health, and operational outcomes. These disruptions may arise from factors such as: suppliers' inability to effectively compete or market their products; alterations in regulatory requirements, including the imposition of bans or trade sanctions; fluctuations in the economic conditions of supplier markets; regulatory challenges faced by these industries in India and globally; cyclical industry downturns impacting material demand; and shifts in technological advancements or consumer preferences that necessitate changes in our product design and material selection. Ultimately, supply chain vulnerabilities related to plastics and metals represent a critical business risk.

**74. 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.

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

Natural disasters (such as typhoons, flooding and earthquakes), epidemics, pandemics such as COVID-19, man-made disasters, including acts of war, terrorist attacks, environmental issues and other events, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn materially and adversely affect our business, financial condition, cash flows and results of operations.

Our operations may be adversely affected by fires, natural disasters and/or severe weather, which can result in damage to our property or inventory and 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.

India has experienced natural calamities such as earthquakes, tsunami, floods etc. In recent years, the extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of abnormal rainfall or other natural calamities could have a negative impact on the Indian economy, which could adversely affect our business, prospects, financial condition and results of operations as well as the price of the Equity Shares.

**76. Instability in financial markets could materially and adversely affect our results of operations and financial condition.**

The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States of America or Europe, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets. The global financial turmoil, an outcome of the sub-prime mortgage crisis which originated in the United States of America, led to a loss of investor confidence in worldwide financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil, evident from the sharp decline in SENSEX, BSE's benchmark index. Any prolonged financial crisis may have an adverse impact on the Indian economy and us, thereby resulting in a material and adverse effect on our business, operations, financial condition, profitability and price of our Equity Shares.

**77. Investors may be adversely affected due to retrospective tax law changes made by the GoI affecting us.**

Certain recent changes to the Income Tax Act provide that income arising directly or indirectly through the sale of a capital asset of an offshore company, including shares, will be subject to tax in India, if such shares derive indirectly or directly their value substantially from assets located in India. The term "substantially" has not been defined under the Income Tax Act and therefore, the applicability and implications of these changes are largely unclear. Due to these recent changes, investors may be subject to Indian income taxes on the income arising directly or indirectly through the sale of the Equity Shares. In the past, there have been instances where changes in

the Income Tax Act have been made retrospectively and to that extent, there cannot be an assurance that such retrospective changes will not happen again.

***78. Any downgrading of India's sovereign rating by an independent agency may harm our ability to raise financing.***

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing may be available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of our Equity Shares.

**SECTION IV – INTRODUCTION****THE OFFER**

<b>PRESENT OFFER IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS</b>	
<b>Equity Shares Offered through Public Offer</b> <sup>(1)(2)(3)</sup>	Offer of upto 64,20,000 Equity Shares having face value of ₹10 each at an Offer Price of ₹[●] per Equity Share (including a Share premium of ₹[●] per Equity Share) aggregating to ₹[●] Lakhs.
<b>Consisting of:</b>	
Fresh Issue	Upto 52,80,000 Equity Shares of ₹10 each for cash at a price of ₹[●] (including a Share premium of ₹[●] per Equity Share) per share aggregating ₹[●] lakhs.
Offer for Sale <sup>(6)</sup>	Offer for sale by existing shareholders upto 11,40,000 equity shares of ₹10 each at a price of ₹[●] per equity share aggregating to ₹[●] lakhs.
<b>Out of which:</b>	
<b>Offer Reserved for the Market Makers</b>	Upto [●] Equity Shares having face value of ₹10/- each at an Offer Price of ₹[●] per Equity Share (including a share premium of ₹[●] per Equity Share) aggregating to ₹ [●] Lakhs
<b>Net Offer to the Public</b>	Upto [●] Equity Shares having face value of ₹10/- each at an Offer Price of ₹[●] per Equity Share (including a share premium of ₹[●] per Equity Share) aggregating to ₹ [●] Lakhs
<b>Out of which*</b>	
A. QIB Portion <sup>(4)(5)</sup>	Not more than [●] Equity Shares having face value of ₹10/- each at an Offer Price of ₹[●] per Equity Share (including a share premium of ₹[●] per Equity Share) aggregating to ₹ [●] Lakhs
<b>Of which</b>	
i) Anchor Investor Portion	Upto [●] Equity Shares having face value of ₹10/- each at an Offer Price of ₹[●] per Equity Share (including a share premium of ₹[●] per Equity Share) aggregating to ₹ [●] Lakhs
ii) Net QIB Portion ( <i>assuming Anchor Investor Portion is fully subscribed</i> )	Upto [●] Equity Shares having face value of ₹10/- each at an Offer Price of ₹[●] per Equity Share (including a share premium of ₹[●] per Equity Share) aggregating to ₹ [●] Lakhs
<b>Of which</b>	
(a) Available for allocation to Mutual Funds only ( <i>5% of the Net QIB Portion</i> )	Upto [●] Equity Shares having face value of ₹10/- each at an Offer Price of ₹[●] per Equity Share (including a share premium of ₹[●] per Equity Share) aggregating to ₹ [●] Lakhs
(b) Balance of QIB Portion for all QIBs including Mutual Funds	Upto [●] Equity Shares having face value of ₹10/- each at an Offer Price of ₹[●] per Equity Share (including a share premium of ₹[●] per Equity Share) aggregating to ₹ [●] Lakhs
B. Non-Institutional Portion	Not less than [●] Equity Shares having face value of ₹10/- each at an Offer Price of ₹[●] per Equity Share (including a share premium of ₹[●] per Equity Share) aggregating to ₹ [●] Lakhs
<b>Of which</b>	
(a) 1/3rd of the portion available to NIBs shall be reserved for applicants with an application size of more than two lots and upto such lots equivalent to not more than ₹ 10 lakhs	Upto [●] Equity Shares having face value of ₹10/- each at an Offer Price of ₹[●] per Equity Share (including a share premium of ₹[●] per Equity Share) aggregating to ₹ [●] Lakhs
(b) 2/3rd of the portion available to NIBs shall be reserved for applicants with an application size of more than ₹ 10 lakhs	Upto [●] Equity Shares having face value of ₹10/- each at an Offer Price of ₹[●] per Equity Share (including a share premium of ₹[●] per Equity Share) aggregating to ₹ [●] Lakhs
C. Individual Investor Portion	Not less than [●] Equity Shares having face value of ₹10/- each at an Offer Price of ₹[●] per Equity Share (including a share premium of ₹[●] per Equity Share) aggregating to ₹ [●] Lakhs



<b>Pre and Post – Offer Equity Shares</b>	
Equity Shares outstanding prior to the Offer (as on the date of this Draft Red Herring Prospectus)	1,65,30,000 Equity Shares of face value of ₹10 each.
Equity Shares outstanding after the Offer #	Upto [●] Equity Shares of face value ₹10 each.
<b>Use of Net Proceeds by our Company</b>	For details, please refer to the chapter titled “ <i>Objects of the Offer</i> ” on page 81 of this Draft Red Herring Prospectus for information on use of Offer Proceeds.

\* Subject to finalisation of the Basis of Allotment. Number of shares may need to be adjusted for lot size upon determination of Offer price.

# Assuming full allotment

#### Notes:

- 1) The Offer is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Offer is being made by our Company in terms of Regulation of 229(2) and Regulation 253(1) of SEBI (ICDR) Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – offer 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 March 15, 2025 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 of the Shareholders dated March 18, 2025.

Further, our Board has taken on record the approval for the offer for sale by the Selling Shareholder pursuant to its resolution dated March 15, 2025. Further, the Promoter Selling Shareholder confirms that the Offered Shares is within the thresholds prescribed under the SEBI ICDR Regulations, to the extent applicable to it. The Selling Shareholder confirms that the Equity Shares being offered has been held by such Selling Shareholder for a period of at least one year prior to the date of filing of this Draft Red Herring Prospectus in accordance with the SEBI (ICDR) Regulations and accordingly, is eligible for being offered for sale pursuant to the Offer in terms of the SEBI (ICDR) Regulations.

The Selling Shareholder has confirmed and consented to the participation in the Offer for Sale as set forth below:

<b>Selling Shareholder</b>	<b>Type</b>	<b>Date of Authorization Letter</b>	<b>Equity Shares of face value of ₹10 each held as of date of the DRHP</b>	<b>Equity Shares of face value of ₹10 each offered by way of Offer for Sale</b>
Niraj Arya	Promoter	March 15, 2025	55,09,449	3,80,000
Kunal Arya	Promoter	March 15, 2025	55,08,898	3,80,000
Deepak Arya	Promoter	March 15, 2025	55,09,449	3,80,000
<b>Total</b>			<b>1,65,27,796</b>	<b>11,40,000</b>

The Selling Shareholders have confirmed that the Equity Shares proposed to be offered and sold in the Offer are eligible in term of SEBI (ICDR) Regulations, 2018 and that they have not been prohibited from dealings in securities market and the Equity Shares offered and sold are free from any lien, encumbrance or third-party rights. The Selling Shareholders have also severally confirmed that they are the legal and beneficial owners of the Equity Shares being offered by them under the Offer for Sale.

- 3) Our Company, in consultation with the Book Running Lead Manager, may consider a Pre-IPO placement of up to 6,60,000 Equity Shares prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Manager. If the Pre-IPO Placement is undertaken, the number of Equity Shares issued pursuant to the Pre-IPO Placement will be reduced from the Offer, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre- IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre- IPO Placement, prior to allotment pursuant to the Pre- IPO Placement, that there is no guarantee that our Company may proceed with the Offer, or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Details of Pre-IPO Placement, if undertaken shall be included in the Red Herring Prospectus and Prospectus.
- 4) The SEBI (ICDR) Regulations permit the Offer of securities to the public through the Book Building Process, which states that, not less than 15 % of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35 % of the Net Offer shall be available for allocation on a proportionate basis to Individual Bidders and not more than

50% of the Net Offer shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Offer Price. Accordingly, we have allocated the Net Offer i.e. not more than 50% of the Net Offer to QIB and not less than 35% of the Net Offer shall be available for allocation to Individual Investors and not less than 15% of the Net Offer shall be available for allocation to Non-institutional bidders. Further, (a) 1/3rd of the portion available to NIBs shall be reserved for applicants with application size of more than two lots and up to such lots equivalent to not more than ₹ 10 lakhs, and (b) 2/3rd of the portion available to NIBs shall be reserved for applicants with application size of more than ₹ 10 lakhs. Provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), could be allocated to applicants in the other sub-category of NIBs. The allocation to each NIB shall not be less than the minimum NIB Application Size, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares, if any, was available for allocation on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations.

- 5) Subject to valid Bids being received at or above the Offer 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 Managers and the Designated Stock Exchange, subject to applicable laws.
- 6) The Equity Shares being offered by the Selling Shareholders are eligible for being offered for sale as part of the Offer in terms of the SEBI (ICDR) Regulations. For details of authorizations received for the Offer, see ***“Other Regulatory and Statutory Disclosures”*** on page 247 of this Draft Red Herring Prospectus.

For details, including grounds for rejection of Bids, refer to ***“Offer Structure”*** and ***“Offer Procedure”*** on page 271 and 275, respectively. For details of the terms of the Offer, see ***“Terms of the Offer”*** on page 262 of this Draft Red Herring Prospectus.

Our Company and Promoter Selling shareholders may in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations. 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 Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. Further, 5% of the Net 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 (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, please refer section titled ***“Offer Procedure”*** beginning on page 275 of this Draft Red Herring Prospectus.

**SUMMARY OF OUR FINANCIAL STATEMENTS**  
**RESTATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES**

(Figures in Rs. Lakhs, unless state otherwise)

Particulars	As at			
	30th September, 2024	31st March, 2024	31st March, 2023	31st March, 2022
<b>I. EQUITY AND LIABILITIES</b>				
<b>Shareholders' funds</b>				
(a) Share capital	3.00	3.00	3.00	3.00
(b) Reserves and surplus	1,768.15	1,063.55	432.67	127.14
(c) Money Received against Share Warrants	-	-	-	-
	<b>1,771.15</b>	<b>1,066.55</b>	<b>435.67</b>	<b>130.14</b>
<b>Share application money pending allotment</b>	-	-	-	-
<b>Non-current liabilities</b>				
(a) Long-term borrowings	746.93	619.50	382.00	149.44
(b) Deferred tax liabilities (Net)	-	2.89	-	-
(c) Other Long-Term liabilities	-	-	-	-
(d) Long-term provisions	8.24	4.24	1.96	0.60
	<b>755.17</b>	<b>626.63</b>	<b>383.96</b>	<b>150.04</b>
<b>Current liabilities</b>				
(a) Short-term borrowings	1,450.12	791.09	576.58	223.82
(b) Trade payables				
(A) Total outstanding dues of micro enterprises and small enterprises;	187.02	7.30	7.28	0.73
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises.	725.42	268.49	78.22	169.27
(c) Other current liabilities	375.38	115.86	52.14	182.39
(d) Short-term provisions	124.49	31.86	13.00	0.22
<b>Total</b>	<b>2,862.43</b>	<b>1,214.60</b>	<b>727.22</b>	<b>576.43</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>5,388.75</b>	<b>2,907.78</b>	<b>1,546.85</b>	<b>856.61</b>
<b>II. ASSETS</b>				
<b>Non-current assets</b>				
(a) Property, Plant and Equipment and Intangible Assets				
(i) Property, Plant and Equipment	852.31	766.00	91.11	46.92
(ii) Intangible Assets	-	-	-	-
(iii) Capital Work in Progress	118.78	103.55	372.00	-
(iv) Intangible Assets under development	-	-	-	-
(b) Non- Current Investment	-	-	-	-
(c) Deferred tax assets (Net)	5.44	-	1.26	0.23
(d) Long-Term Loans and Advances	-	-	-	-
(e) Other non-current assets	269.60	1.54	-	1.20
	<b>1,246.13</b>	<b>871.09</b>	<b>464.37</b>	<b>48.35</b>
<b>Current assets</b>				
(a) Inventories	3,032.67	1,352.11	648.73	580.86
(b) Trade receivables	134.59	160.88	98.32	26.37
(c) Cash and cash equivalents	12.66	5.24	9.95	2.74
(d) Short-term loans and advances	962.70	518.46	325.48	198.29
<b>Total</b>	<b>4,142.62</b>	<b>2,036.69</b>	<b>1,082.48</b>	<b>808.26</b>
<b>TOTAL ASSETS</b>	<b>5,388.75</b>	<b>2,907.78</b>	<b>1,546.85</b>	<b>856.61</b>

## RESTATED SUMMARY STATEMENT OF PROFIT AND LOSS

(Figures in Rs. Lakhs, unless state otherwise)

Particulars	Period ended 30th September, 2024	Year ended 31st March, 2024	Year ended 31st March, 2023	Period from 15th July, 2021 to 31st March, 2022
<b>INCOME</b>				
Revenue from operations	7527.98	9442.50	5125.07	1289.32
Other income	75.92	47.33	37.23	13.18
<b>Total income</b>	<b>7603.90</b>	<b>9489.83</b>	<b>5162.30</b>	<b>1302.50</b>
<b>EXPENSES</b>				
Cost of material consumed	5900.27	7629.67	4286.30	900.08
Direct expenses	185.73	231.23	134.44	122.09
Changes in inventories of finished goods	(84.21)	62.96	(48.54)	(38.90)
Employee benefit expenses	250.43	308.92	182.61	78.40
Finance costs	88.30	102.74	48.56	11.45
Depreciation and amortization expenses	64.82	57.94	21.19	2.47
Other expenses	347.18	334.19	168.35	73.40
<b>Total expenses</b>	<b>6752.52</b>	<b>8727.65</b>	<b>4792.91</b>	<b>1148.99</b>
<b>Profit Before Exceptional &amp; Extraordinary items &amp; Tax</b>	<b>851.38</b>	<b>762.18</b>	<b>369.39</b>	<b>153.51</b>
Exceptional / Extraordinary Items	-	-	-	-
<b>Profit Before Tax</b>	<b>851.38</b>	<b>762.18</b>	<b>369.39</b>	<b>153.51</b>
<b>Tax expenses</b>				
- Current Tax	155.12	127.15	64.89	26.60
- Deferred Tax	(8.34)	4.15	(1.03)	(0.23)
	<b>146.78</b>	<b>131.30</b>	<b>63.86</b>	<b>26.37</b>
<b>Profit After Tax</b>	<b>704.60</b>	<b>630.88</b>	<b>305.53</b>	<b>127.14</b>
<b>Earning Per Equity Share</b>				
Basic (Rs.)	4.26	3.82	1.85	0.77
Diluted (Rs.)	4.26	3.82	1.85	0.77

## RESTATED SUMMARY STATEMENT OF CASH FLOW

(Figures in Rs. Lakhs, unless state otherwise)

	Particulars	Period ended 30th September, 2024	Year ended 31st March, 2024	Year ended 31st March, 2023	Period from 15th July, 2021 to 31st March, 2022
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
	Profit Before Tax	851.38	762.18	369.39	153.51
	<b>Adjustment for:</b>				
	Finance Cost	88.30	102.74	48.56	11.45
	Depreciation	64.82	57.94	21.19	2.47
	Gratuity Provision	4.14	2.28	1.36	0.61
	Provision for CSR Expenses	4.30	-	-	-
	Provision for Warranty Expenses	30.11	-	-	-
	Interest Income on FDR	(0.09)	(0.03)	(0.01)	(0.01)
	Loss due to theft	3.72	-	-	-
	<b>Operating Profit Before Increase/Decrease in Asset &amp; Liability</b>	<b>1046.68</b>	<b>925.11</b>	<b>440.49</b>	<b>168.03</b>
	(Increase)/Decrease in Inventories	(1684.29)	(703.38)	(67.88)	(580.86)
	(Increase)/Decrease in Trade Receivable	26.29	(62.56)	(71.96)	(26.37)
	(Increase)/Decrease in Short Term Loans and Advances	(444.24)	(192.98)	(127.17)	(198.29)
	(Increase)/Decrease in Other Non - Current Asset	(268.07)	(1.54)	1.20	(1.20)
	Increase/(Decrease) in Trade Payables	636.65	190.28	(84.49)	170.00
	Increase/(Decrease) in Short Term Provisions	31.13	-	-	-
	Increase/(Decrease) in other current liabilities	259.52	63.72	(130.25)	182.39
	<b>Cash Generated from Operations</b>	<b>(396.32)</b>	<b>218.65</b>	<b>(40.06)</b>	<b>(286.30)</b>
	Direct taxes paid	(128.16)	(108.29)	(52.11)	(26.39)
	<b>Net Cash from Operating Activities: (A)</b>	<b>(524.48)</b>	<b>110.36</b>	<b>(92.17)</b>	<b>(312.69)</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>				
	Purchase of Property, Plant and Equipment	(166.36)	(464.38)	(437.39)	(49.39)
	Interest Income on FDR	0.09	0.03	0.01	0.01
	<b>Net Cash from Investing Activities: (B)</b>	<b>(166.27)</b>	<b>(464.35)</b>	<b>(437.38)</b>	<b>(49.38)</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
	Proceeds from share capital	-	-	-	3.00
	Proceeds from Secured Long Term Borrowing	217.19	332.99	313.00	24.00
	Repayment of Secured Long Term Borrowing	(71.59)	(87.65)	(52.63)	
	Proceeds from Unsecured Long-Term Borrowing	15.63	46.70	29.19	133.21
	Repayment of Unsecured Long-Term Borrowing	(12.69)	(22.10)	(4.00)	(2.85)
	Proceeds/(Repayment) from Short Term Borrowings	637.93	182.08	299.76	218.90
	Finance Charges Paid	(88.30)	(102.74)	(48.56)	(11.45)
	<b>Net Cash from Financing Activities: (C)</b>	<b>698.17</b>	<b>349.28</b>	<b>536.76</b>	<b>364.81</b>
	<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS DURING THE YEAR (A) + (B) + (C)</b>	<b>7.42</b>	<b>(4.71)</b>	<b>7.21</b>	<b>2.74</b>
	Opening Cash and cash equivalents	5.24	9.95	2.74	-
	Closing Cash and cash equivalents	12.66	5.24	9.95	2.74
	<b>Net Cash Flow</b>	<b>7.42</b>	<b>(4.71)</b>	<b>7.21</b>	<b>2.74</b>

	<b>Particulars</b>	<b>As at 30th September, 2024</b>	<b>As at 31st March, 2024</b>	<b>As at 31st March, 2023</b>	<b>As at 31st March, 2022</b>
	<b>Cash and Cash Equivalents Includes:</b>				
a.	Balances with current account	0.08	0.97	3.57	0.22
b.	Cash in hand	7.46	1.23	6.12	2.26
c.	Fixed Deposits with Banks	5.12	3.04	0.26	0.26
	<b>TOTAL</b>	<b>12.66</b>	<b>5.24</b>	<b>9.95</b>	<b>2.74</b>

**GENERAL INFORMATION****Brief Summary:**

Our Company was originally incorporated as a private limited Company in the name of “Zelio Auto Private Limited” under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated on July 15, 2021 issued by the Registrar of Companies, Central Registration Centre, bearing CIN: U34102HR2021PTC096362. Further, pursuant to Special Resolution passed by the shareholders at the Extra Ordinary General Meeting held on October 25, 2024, the name of our Company was changed from “Zelio Auto Private Limited” to “Zelio E-Mobility Private Limited” and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Central Processing Centre vide letter dated November 21, 2024. Subsequently, our Company was converted into a Public Limited Company vide Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting, held on November 22, 2024 and consequently the name of our Company was changed from “Zelio E-Mobility Private Limited” to “Zelio E-Mobility Limited” vide a fresh certificate of incorporation consequent upon conversion from private company to public company dated November 29, 2024 issued by the Registrar of Companies, Central Processing Centre. Our Company’s Corporate Identity Number is U34102HR2021PLC096362.

For further details please refer to chapter titled “**History and Corporate Structure**” beginning on page 143 of this Draft Red Herring Prospectus.

The registration number and corporate identity number of our Company are as follow:

**Corporate Identity Number:** U34102HR2021PLC096362

**Company Registration Number:** 096362

<b>Registered Office of our Company:</b>	<b>Corporate Office of our Company:</b>
<b>Zelio E-Mobility Limited</b> Shop No. 542, 1 <sup>st</sup> Floor, Auto Market, Hisar – 125001, Haryana, India <b>Tel. No.:</b> +91 – 9254071396 <b>Email:</b> <a href="mailto:cs@zelioebikes.com">cs@zelioebikes.com</a> <b>Website:</b> <a href="http://www.zelioebikes.com">www.zelioebikes.com</a>	<b>Zelio E-Mobility Limited</b> Khewat No. 510 442, Hisar Road, Ladwa, Hisar – 125006, Haryana, India <b>Tel. No.:</b> +91 – 9254993057 <b>Email:</b> <a href="mailto:cs@zelioebikes.com">cs@zelioebikes.com</a> <b>Website:</b> <a href="http://www.zelioebikes.com">www.zelioebikes.com</a>

**Address of the Registrar of Companies:****Registrar of Companies, Delhi & Haryana**

Ministry of Corporate Affairs,  
4<sup>th</sup> Floor, IFCI Tower, 61, Nehru Place,  
New Delhi 110019, India.

**Tel No:** 011-26235703/26235708

**Email id:** [roc.delhi@mca.gov.in](mailto:roc.delhi@mca.gov.in)

**Website:** [www.mca.gov.in](http://www.mca.gov.in)

**Board of Directors:**

The following table sets out details regarding our Board as on the date of filing of this Draft Red Herring Prospectus consists of:

<b>Sr. No.</b>	<b>Name of Directors</b>	<b>Designation</b>	<b>DIN</b>	<b>Address</b>
1.	Kunal Arya	Managing Director	09241630	House No 786, PLA Hisar, Police Line Area, Near Town Park, Hisar – 125001, Haryana, India
2.	Niraj Arya	Chairman & Whole Time Director	09241628	House No 786, PLA Hisar, Police Line Area, Near Town Park, Hisar – 125001, Haryana, India
3.	Deepak Arya	Whole Time Director	09241629	H. No. 785, PLA Hisar – 125001, Haryana, India
4.	Sayuri Arya	Non-Executive Director	10942187	House No 786, PLA Hisar, Police Line Area, Near Town Park, Hisar – 125001, Haryana, India
5.	Sulabh Jain	Independent Director	07739598	K -1101, KW Srishti, Raj Nagar Extension, Ghaziabad – 201017, Uttar Pradesh, India
6.	Meenakshi Jain	Independent Director	10937510	House No 2744, 3 <sup>rd</sup> Floor, Sector 14 - P2, Behind Shree Ram Ideal School, Hisar – 125001, Haryana, India

For further details in relation to our Directors, please refer to chapter titled “Our Management” on page 148 of this Draft Red Herring Prospectus.

Chief Financial Officer	Company Secretary & Compliance Officer
<b>Shubham Garg</b> <b>Zelio E-Mobility Limited</b> Khewat No. 510 442, Hisar Road, Ladwa, Hisar – 125006, Haryana, India <b>Tel. No.:</b> +91 – 9254993057 <b>Email:</b> <a href="mailto:cfo@zelioebikes.com">cfo@zelioebikes.com</a> <b>Website:</b> <a href="http://www.zelioebikes.com">www.zelioebikes.com</a>	<b>Priyanka Garg</b> <b>Zelio E-Mobility Limited</b> Khewat No. 510 442, Hisar Road, Ladwa, Hisar – 125006, Haryana, India <b>Tel. No.:</b> +91 – 9254993057 <b>Email:</b> <a href="mailto:cs@zelioebikes.com">cs@zelioebikes.com</a> <b>Website:</b> <a href="http://www.zelioebikes.com">www.zelioebikes.com</a>

### Investor Grievances:

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

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

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

All grievances relating to the Anchor Investors may be addressed to the Registrar to the offer, giving full details such as name of the sole or first Applicant, Bid cum Application Form number, Applicants DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Applicant, number of Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the relevant BRLM where the Anchor Investor Application Form was submitted by the Anchor Investor. For all offer related queries and for redressal of complaints, investors may also write to the BRLM.

### **Details of Key Intermediaries pertaining to this offer and our Company:**

Book Running Lead Manager to the offer	Legal Advisor to the offer
<b>Hem Securities Limited</b> <b>Address:</b> 904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai-400013, Maharashtra, India. <b>Tel No.:</b> +91-22-4906 0000 <b>Email:</b> <a href="mailto:jb@hemsecurities.com">jb@hemsecurities.com</a> <b>Investor Grievance Email:</b> <a href="mailto:redressal@hemsecurities.com">redressal@hemsecurities.com</a> <b>Website:</b> <a href="http://www.hemsecurities.com">www.hemsecurities.com</a> <b>Contact Person:</b> Ajay Jain <b>SEBI Reg. No.:</b> INM000010981	<b>Mindspright Legal</b> <b>Address:</b> 712-714, C-Wing, Trade World, Kamla City, Senapati Bapat Marg, Lower Parel (West), Mumbai - 400013, Maharashtra, India. <b>Tel No.:</b> +91-022-42197000 <b>Email:</b> <a href="mailto:ipo@mindspright.co.in">ipo@mindspright.co.in</a> <b>Contact Person:</b> Richa Bhansali <b>Designation:</b> Partner <b>Website:</b> <a href="http://www.mindspright.co.in">www.mindspright.co.in</a>
Registrar to the offer	Statutory Auditor
<b>Maashitla Securities Private Limited</b> <b>Address:</b> 451, Krishna Apra Business Square, Netaji Subhash Place, Pitampura, New Delhi, 110034, India <b>Tel No:</b> 011-47581432 <b>Email:</b> <a href="mailto:ipo@maashitla.com">ipo@maashitla.com</a> <b>Investor Grievance Email:</b> <a href="mailto:investor.ipo@maashitla.com">investor.ipo@maashitla.com</a> <b>Website:</b> <a href="http://www.maashitla.com">www.maashitla.com</a>	<b>M/s Murari Garg &amp; Co.</b> <b>Chartered Accountants,</b> <b>Address:</b> SCO-12, Second Floor, Pocket A, Sector – 14, Hisar – 125001, Haryana, India <b>Tel No.:</b> +91-9896270436 <b>Email:</b> <a href="mailto:fcamurarigarg@gmail.com">fcamurarigarg@gmail.com</a> <b>Firm Registration No.:</b> 013241N <b>Peer Review Certificate Number:</b> 016373



<b>Contact Person:</b> Mukul Agrawal <b>SEBI Registration No.:</b> INR000004370 <b>CIN:</b> U67100DL2010PTC208725	<b>Membership No:</b> 092333 <b>Contact Person:</b> CA Murari Lal Garg <b>Designation:</b> Senior Partner
<b>Peer Review Auditor</b>	<b>Bankers to our Company</b>
<b>S.P. Chopra &amp; Co.</b> <b>Chartered Accountants,</b> <b>Address:</b> 15 <sup>th</sup> Floor, Unit No 1505, Astralis Supernova, Sector-94, Gautam Buddha Nagar, Noida-201301 <b>Tel. No.:</b> +91 98102 77251 <b>Email:</b> <a href="mailto:pawangupta@spchopra.in">pawangupta@spchopra.in</a> <b>Website:</b> <a href="http://www.spchopra.in">www.spchopra.in</a> <b>Firm Registration No.:</b> 000346N <b>Peer Review Certificate Number:</b> 017749 <b>Membership No:</b> 092529 <b>Contact Person:</b> CA Pawan K. Gupta	<b>HDFC Bank Limited</b> <b>Address:</b> HDFC Bank Limited, 1 <sup>st</sup> Floor, Akash Plaza, Jindal Chowk, Hisar – 125001 Haryana <b>Tel. No.:</b> +91-8570909231 <b>Email:</b> Hitesh.sharma10@hdfcbank.com <b>Website:</b> <a href="http://www.hdfcbank.com">www.hdfcbank.com</a> <b>Contact Person:</b> Hitesh Sharma <b>Designation:</b> Relationship Manager
<b>Bankers to the Offer/ Refund Banker/Sponsor Bank*</b>	<b>Syndicate Member*</b>
[•]	[•]
<b>Monitoring Agency*</b>	
[•]	

\*The Bankers to the offer/ Refund Banker/ Sponsor Bank, Syndicate Member and Monitoring Agency shall be appointed prior to filing of the Red Herring Prospectus with the RoC.

\*\*In accordance with the SEBI (ICDR) Regulations, we have appointed M/s. S.P. Chopra & Co., Chartered Accountants, (FRN: 000346N) as Peer Review Auditor vide Board Resolution dated January 24, 2025 for restatement financial statements for the period/year ended on September 30, 2024, March 31, 2024, March 31, 2023, and March 31, 2022.

#### Designated Intermediaries:

#### Self-Certified Syndicate Banks (SCSB's)

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

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

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

#### Syndicate SCSB Branches

In 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, 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**

Bidders can submit Bid cum Application Forms in the offer using the stock brokers network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and email address, is provided on the website of the SEBI at (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>), respectively, as updated from time to time.

### **Registrar and Share Transfer Agents**

The list of the Registrar to offer and Share Transfer Agents (RTAs) eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10> , as updated from time to time.

### **Collecting Depository Participants (CDP's)**

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](http://www.sebi.gov.in)) and updated from time to time.

### **Brokers to the offer**

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

### **Experts Opinion**

Except for the reports in the section *“Statement of Special Tax Benefits”*, *“Financial Information of the Company”* *“Statement of Financial Indebtedness”* on page 98, 169 and 220 respectively of this Draft Red Herring 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 Draft Red Herring 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 Draft Red Herring Prospectus. However, the term **“expert”** shall not be construed to mean an **“expert”** as defined under the U.S. Securities Act, 1933.

### **Inter-se Allocation of Responsibilities**

Since, Hem Securities Limited is the sole Book Running Lead Manager to this offer, a statement of inter se allocation of responsibilities among Book Running Lead Manager is not applicable.

### **Monitoring Agency**

As per SEBI (ICDR) Regulations, 2018, appointment of monitoring agency is required only if offer size exceeds ₹5,000 Lakhs. As the size of the Offer exceeds ₹5,000 Lakh, our Company has appointed [●] as the Monitoring Agency to monitor the utilization of the Net Proceeds, in accordance with Regulation 262 of the SEBI ICDR Regulations. For details in relation to the proposed utilization of the Net Proceeds, see *“Objects of the Offer”* on page 81 of this Draft Red Herring Prospectus.

### **Green Shoe Option**

No Green Shoe Option is applicable for this offer.

### **Appraising Entity**

None of the objects for which the Net Proceeds are proposed to be utilized have been financially appraised by any banks or financial institution.

### **Credit Rating**

As this is an offer of Equity Shares, there is no credit rating for the offer.

### **IPO Grading**

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

### **Trustees**

As the offer is of Equity Shares, the appointment of trustees is not required.

### **Debenture Trustees**

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

### **Filing of Offer Document with the Designated Stock Exchange/SEBI/ROC**

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

The Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018. Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Red Herring Prospectus/Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>

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

### **Book Building Process**

Book Building, with reference to the offer, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Price Band shall be determined 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 English national newspaper [●], all editions of Hindi national newspaper [●] and Hissar edition of Regional newspaper [●] where our registered office is situated at least two working days prior to the Bid/ Offer Opening date. The Offer Price shall be determined by our Company, in consultation with the Book Running Lead Manager in accordance with the Book Building Process after the Bid/ Offer Closing Date. Principal parties involved in the Book Building Process are: -

- Our Company;
- The Book Running Lead Manager in this case being Hem Securities 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 offer and;
- The Designated Intermediaries and Sponsor bank

The SEBI (ICDR) Regulations have permitted the offer 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 Offer is being made through the Book Building Process wherein not more than 50% of the Net offer shall be available for allocation on a proportionate basis to QIBs, provided that our Company may in consultation with the Book Running Lead Manager allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations (the “**Anchor**”

**Investor Portion**”), out 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 offer Price. 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 offer Price. Further, not less than 15% of the Net offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders in the following manner: (a) 1/3rd of the portion available to NIBs shall be reserved for applicants with an application size of more than 2 lots and upto such lots equivalent to not more than ₹ 10 lakhs (b) 2/3rd of the portion available to NIBs shall be reserved for applicants with an application size of more than ₹ 10 lakhs and the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), could be allocated to applicants in the other sub-category of NIBs and the remaining shares, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in this regards in Schedule XIII of SEBI ICDR Regulations and not less than 35% of the Net offer shall be available for allocation to Individual Bidders, in accordance with the SEBI Regulations, subject to valid Bids being received at or above the offer Price. All potential Bidders may participate in the offer 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 offer. 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 Book Running Lead Manager and the Designated Stock Exchange.

**All Bidders, except Anchor Investors, are mandatorily required to use the ASBA process for participating in the offer. In accordance with the SEBI (ICDR) Regulations, QIBs bidding in the QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion 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. Individual Bidders can revise their Bids during the Bid/ offer Period and withdraw their Bids until the Bid/ offer Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/ offer Period. Allocation to the Anchor Investors will be on a discretionary basis.**

Subject to valid Bids being received at or above the offer Price, allocation to all categories in the Net offer, shall be made on a proportionate basis, except for Individual Investor Portion where allotment to each Individual Bidders shall not be less than the minimum lot, subject to availability of Equity Shares in Individual Investor 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 (except Anchor Investors) applying in a public offer 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, Individual Investors applying in public offer 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 are invited to the chapter titled **“Offer Procedure”** beginning on page 275 of the Draft Red Herring 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 offer.

For further details on the method and procedure for Bidding, please see section entitled **“Offer Procedure”** on page 275 of this Draft Red Herring Prospectus.

#### **Illustration of the Book Building and Price Discovery Process:**

For an illustration of the Book Building Process and the price discovery process, please refer to the chapter titled **“Offer Procedure”** on page 275 of this Draft Red Herring Prospectus.

#### **Bid/ Offer Program:**

<b>Event</b>	<b>Indicative Dates</b>
Bid/ Offer Opened Date <sup>1</sup>	[●]
Bid/ Offer Closed Date <sup>2</sup>	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange (T+1)	On or about [●]
Initiation of Allotment/ Refunds/ Unblocking of Funds from ASBA Account or UPI Id	On or about [●]

Linked Bank Account* (T+2)	
Credit of Equity Shares to Demat Accounts of Allottees (T+2)	On or about [•]
Commencement of Trading of The Equity Shares on the Stock Exchange (T+3)	On or about [•]

<sup>1</sup> Our Company in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI (ICDR) Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI (ICDR) Regulations.

<sup>2</sup> Our Company in consultation with the Book Running Lead Manager, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI (ICDR) Regulations.

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 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.

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 Offer Period (except for the Bid/ Offer Closing Date). On the Bid/ Offer Closing Date, the Bid Cum Application Forms will be accepted only between 10.00 A.M. to 3.00 P.M. (IST) for Individual Bidders and non-institutional Investors. The time for applying for Individual Bidder on Bid/Offer Closing Date maybe extended in consultation with the Book Running Lead Manager, RTA and BSE taking into account the total number of applications received up to the closure of timings.

Due to the limitation of time available for uploading the Bid Cum Application Forms on the Bid/Offer Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Offer Closing Date and, in any case, not later than 3.00 P.M. (IST) on the Bid/ Offer Closing Date. Any time mentioned in this Draft 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/Offer Closing Date, as is typically experienced in public Offer, 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 Offer. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the Book Running Lead Manager 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 Bidders 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. Individual investor Applicants can revise or withdraw their Bid Cum Application Forms prior to the Bid/Offer Closing Date. Allocation to Individual Investor Applicants, in this Offer 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 Bidder, 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 Bidder, the Registrar to the Offer shall ask the relevant SCSBs/ RTAs / DPs / stock brokers, as the case may be, for the rectified data.

## Underwriting

The Company, promoter selling shareholder and the Book Running Lead Manager to the Offer hereby confirm that the Offer will be 100% Underwritten by the Underwriter [•] in the capacity of Underwriter to the Offer.

Pursuant to the terms of the Underwriting Agreement dated [•] entered into by Company, Underwriter, the obligations of the Underwriter are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

Details of the Underwriter	No. of shares underwritten	Amount Underwritten (Amount in Rs. Lakhs)	% of Total Offer Size Underwritten
[•]	[•]	[•]	[•]

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

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

**Change in Auditors during the last three (3) years:**

There have been no changes in our Company's auditors in the last three (3) years.

**Withdrawal of the offer**

Our Company in consultation with the Book Running Lead Manager, reserve the right to not to proceed with the offer at any time before the Bid/ offer Opening Date without assigning any reason thereof.

If our Company withdraws the offer anytime after the Bid/ offer Opening Date but before the allotment of Equity Shares, a public notice within 2 (two) working days of the Bid/ offer Closing Date, providing reasons for not proceeding with the offer shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre- offer advertisements have appeared and the Stock Exchange will also be informed promptly. The Book Running Lead Manager, through the Registrar to the offer, 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 withdraws the offer after the Bid/ offer Closing Date and subsequently decides to proceed with an offer 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 offer is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares issued through the Draft Red Herring Prospectus, which our Company will apply for only after Allotment; and (ii) filing of Red Herring Prospectus/ Prospectus with Registrar of Companies.

**Details of the Market Making arrangement for this Offer**

Our Company has entered into a Market Making Agreement dated [●] with the following Market Maker for fulfilling the Market Making obligations under this Offer:

<b>Name</b>	[●]
<b>Correspondence Address:</b>	[●]
<b>Tel No.:</b>	[●]
<b>E-mail:</b>	[●]
<b>Website:</b>	[●]
<b>Contact Person:</b>	[●]
<b>SEBI Registration No.:</b>	[●]
<b>Market Maker Registration No.</b>	[●]

In accordance with Regulation 261 of the SEBI (ICDR) Regulations, we have entered into an agreement with the Book Running Lead Manager and the Market Maker (duly registered with BSE to fulfill the obligations of Market Making) dated [●] to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this Offer.

[●], 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, as amended from time to time and the circulars issued by BSE and SEBI in this matter from time to time.

**Following is a summary of the key details pertaining to the Market making arrangement:**

- The Market Maker(s) (individually or jointly) 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(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
- The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of the BSE SME (SME Platform of BSE Limited) and SEBI from time to time.
- The investors with holdings less than the minimum lot size shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) 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.
- The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the SME Platform of BSE Limited (in this case currently the minimum trading lot size is [•] equity shares; however, the same may be changed by the SME Platform of BSE Limited from time to time).
- 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 Offer Size. Any Equity Shares allotted to Market Maker under this Offer over and above 25% of Offer Size would not be taken in to consideration of computing the threshold of 25% of Offer Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Offer Size, the Market Maker will resume providing 2 way quotes.
- There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE may intimate the same to SEBI after due verification.
- Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
- There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
- 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.
- The Market maker may also be present in the opening call auction, but there is no obligation on him to do so.
- 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.
- The Market Maker(s) shall have the right to terminate said arrangement by giving a six months' notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s) and execute a fresh arrangement.
- 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 Book Running Lead Manager to arrange for another Market Maker 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, 2018, as amended. Further our Company and the Book Running Lead Manager reserve the right to appoint other Market Makers 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 five or as specified by the relevant laws and regulations applicable at that particulars point of time. The Market Making Agreement is available for inspection at our office from 10.00 a.m. to 5.00 p.m. on working days.
- **Risk containment measures and monitoring for Market Makers:** The Stock Exchange 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.

- **Punitive Action in case of default by Market Makers:** The Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership. The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.
- **Price Band and Spreads:** The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.

The SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for Offer size up to ₹250 crores, the applicable price bands for the first day shall be:

- i. 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.
- ii. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Offer price.

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.

- 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 Offer size and as follows:

<b>Offer Size</b>	<b>Buy quote exemption threshold (including mandatory initial inventory of 5% of the Offer Size)</b>	<b>Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Offer Size)</b>
Up to ₹20 Crore	25%	24%
₹20 to ₹50 Crore	20%	19%
₹50 to ₹80 Crore	15%	14%
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 from time to time.



**CAPITAL STRUCTURE**

Set forth below are the details of the Share Capital of our Company as on the date of this Draft Red Herring Prospectus.

(Amount in Rs. Lakhs, except share data)

Sr. No.	Particulars	Aggregate Value at Face Value	Aggregate Value at Offer Price
<b>A</b>	<b>Authorized Share Capital</b> 2,50,00,000 Equity Shares having face value of ₹10/- each.	2,500.00	-
<b>B</b>	<b>Issued, Subscribed &amp; Paid-up Share Capital prior to the Offer</b> 1,65,30,000 Equity Shares having face value of ₹10/- each	1,653.00	-
<b>C</b>	<b>Present Offer in terms of this Draft Red Herring Prospectus*</b> Upto 64,20,000 Equity Shares having face value of ₹10/-each at a Premium of ₹ [●] per share <sup>(1)(2)</sup>	642.00	[●]
	<b>Consisting of:</b>		
	Fresh Issue of upto 52,80,000 Equity Shares of face value of ₹ 10/-each at a Premium of ₹ [●] per share	528.00	[●]
	Offer for Sale of upto 11,40,000 Equity Shares of face value of ₹ 10/-each at a Premium of ₹ [●] per share	114.00	[●]
	<b>Which comprises of:</b>		
	<b>Reservation for Market Maker Portion</b> Upto [●] Equity Shares of ₹10/- each at a price of ₹[●] per Equity Shares reserved as Market Maker Portion	[●]	[●]
	<b>Net Offer to Public</b> Net Offer to Public of [●] Equity Shares of ₹10/- each at a price of ₹[●] per Equity Shares to the Public	[●]	[●]
	<b>Of which:</b>		
	i. At least [●] Equity Shares aggregating upto ₹[●] lakhs will be available for allocation to Individual Investors	[●]	[●]
	ii. At least [●] Equity Shares aggregating upto ₹[●] lakhs will be available for allocation to Non-Institutional Investors	[●]	[●]
	iii. Not more than [●] Equity Shares aggregating upto ₹[●] lakhs will be available for allocation to Qualified Institutional Buyers, five per cent. of which shall be allocated to mutual funds.	[●]	[●]
<b>D</b>	<b>Issued, Subscribed and Paid up Share Capital after the Offer #</b> [●] Equity Shares of face value of ₹10/- each		[●]
<b>E</b>	<b>Securities Premium Account</b>		
	Before the Offer (as on date of this Draft Red Herring Prospectus)		Nil
	After the Offer		[●]

\* To be updated upon finalization of Offer Price and subject to finalisation of Basis of Allotment.

# Assuming full subscription in the Offer.

- 1) The Present offer of upto 64,20,000 Equity Shares in terms of this Draft Red Herring Prospectus has been authorized pursuant to a resolution of our Board of Directors dated March 15, 2025 and by special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra Ordinary General Meeting of the members held on March 18, 2025.
- 2) Our Company, in consultation with the BRLM, may consider a Pre-IPO placement of up to 6,60,000 Equity Shares prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLM. If the Pre-IPO Placement is undertaken, the number of Equity Shares issued pursuant to the Pre-IPO Placement will be reduced from the Offer, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer, or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Details of Pre-IPO Placement, if undertaken shall be included in the Red Herring Prospectus and Prospectus.

- 3) Our Board has taken on record the consents and authorisation for the Offer for Sale of the Selling Shareholder pursuant to its resolution dated March 15, 2025.

Sr. No.	Name of selling shareholder	No of Equity Shares offered	% of the pre-Offer paid-up Equity Share capital
<b>Promoter Selling Shareholder</b>			
1.	Niraj Arya	3,80,000	2.30
2.	Kunal Arya	3,80,000	2.30
3.	Deepak Arya	3,80,000	2.30
<b>Total</b>		<b>11,40,000</b>	<b>6.90</b>

The Selling Shareholders has confirmed and authorised their participation in the Offer for Sale pursuant to their consent letters. The Selling Shareholders confirms that the Equity Shares being offered by them have been held by such Selling Shareholders for a period of at least one year prior to the date of filing of this Draft Red Herring Prospectus in accordance with Regulation 8 of the SEBI ICDR Regulations and accordingly, are eligible for being offered for sale pursuant to the Offer in terms of Regulation 8 of the SEBI ICDR Regulations. For details on the authorizations of the Selling Shareholders in relation to their portion of the Offered Shares, see “The Offer” and “Other Regulatory and Statutory Disclosures” on pages 52 and 247 respectively, of this Draft Red Herring Prospectus.

- 4) Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Offer Price. Under subscription, if any, in any of the categories, would be allowed to be met with spillover from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and Designated Stock Exchange i.e. SME platform of BSE Limited (“BSE SME”). Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines. For detailed information on the Net Offer and its allocation various categories, please refer chapter titled “The Offer” on page no. 52 of the Draft Red Herring Prospectus.

#### Classes of Shares: -

Our Company has only one class of share capital i.e. Equity Shares of face value of Rs. 10/- each only. All the issued Equity Shares are fully paid-up. Our Company has not issued any partly paid-up Equity Shares since its incorporation nor does it have any partly paid-up Equity Shares as on the date of the Draft Red Herring Prospectus. Our Company has no outstanding convertible instruments as on the date this Draft Red Herring Prospectus.

#### Notes to the Capital Structure:

##### 1. Details of Changes in Authorised Share Capital of our Company:

##### Equity Share Capital

Sr. No.	Particulars of Changes	Cumulative No. of Equity Shares	Face Value of Equity Share	Cumulative Authorized Share Capital (Amount in Rs. Lakhs)	Date of Shareholders’ Meeting	Whether AGM/EGM
1.	Upon incorporation	20,00,000	10/-	200.00	On Incorporation	N.A.
2.	Increase in the authorized share capital of the Company from ₹200.00 Lakhs divided into 20,00,000 Equity Shares of ₹10/- each to ₹2500.00 Lakhs divided into 2,50,00,000 Equity Shares of ₹10/- each.	2,50,00,000	10/-	2500.00	December 04, 2024	EGM

##### 2. History of Issued and Paid-Up Share Capital 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	30,000	10	10	Cash	Subscription to MOA <sup>(i)</sup>	30,000	3,00,000
February 12, 2025	1,65,00,000	10	-	Other than Cash	Bonus Issue in the ratio of 550:1 <sup>(ii)</sup>	1,65,30,000	16,53,00,000

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

- (i) Initial Subscribers to the Memorandum of Association subscribed 30,000 Equity Shares of face value of Rs. 10/- each, details of which are given below:

Sr. No.	Name of Subscribers	Number of Equity Shares Subscribed
1.	Niraj Arya	10,000
2.	Kunal Arya	10,000
3.	Deepak Arya	10,000
<b>Total</b>		<b>30,000</b>

- (ii) Bonus issue of 1,65,00,000 Equity Shares of face value of Rs. 10/- each in the ratio of 550:1 i.e. Five Hundred Fifty (550) Bonus Equity Shares for every One (1) Equity Shares held by shareholders. (refer point no. 4 below for allottees list)

- b) Preference Share Capital:** As on the date of this Draft Red Herring Prospectus, our Company does not have any issued Preference Share Capital.

### 3. Details of Allotment made in the last two years preceding the date of Draft Red Herring Prospectus

Except as mentioned in point number 2(a)(ii) above, the Company has not issued any Equity Share in the last two years preceding the date of the Draft Red Herring Prospectus.

### 4. Issue of Equity Shares for consideration other than cash:

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

Date of Allotment	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons for Allotment	Benefits Accrued to our Company	Name of Allottee	No. of Shares Allotted
February 12, 2025	1,65,00,000	10	Nil	Bonus Issue in the ratio of 550:1	Capitalization of Reserves & Surplus	Niraj Arya	54,99,450
						Kunal Arya	54,98,900
						Deepak Arya	54,99,450
						Arun Lata	550
						Saroj Arya	550
						Priyanka Arya	550
						Anchal Aggarwal	550
<b>Total</b>						<b>1,65,00,000</b>	

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. Our Company has not issued any shares pursuant to an Employee Stock Option Scheme.
7. In the event our Company formulates and grants any options or rights to employees under an ESOS, ESPS, or SARs in the future, we shall ensure full compliance with the applicable provisions of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended from time to time.

8. Except for Bonus Issue made on February 12, 2025, our Company has not issued Equity Shares at price below the Offer price within last one year from the date of the Draft Red Herring Prospectus. (*refer point no. 2(a)(ii) above for allottees list*).
9. We have not revalued our assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
10. The issuer company is in compliance with the Companies Act, 2013 with respect to issuance of securities since inception till the date of filing of Drat Red Herring Prospectus.

**11. 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 Draft Red Herring Prospectus:

**I. Our Shareholding Pattern:-**

Sr. No.	Category of shareholder	Nos. of shareholders	No. of fully paid up Equity Shares held	No. of Partly paid up Equity Shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*			No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of Equity Shares held in dematerialized form	
								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 Share held (b)		
								Class Equity Shares of Rs.10/- each^	Class as per Depository Receipts									Total
I	II	III	IV	V	VI	VII = IV+V+VI	VIII	IX			X	XI=VII+X	XII		XIII		XIV	
(A)	Promoters & Promoter Group	7	1,65,30,000	-	-	1,65,30,000	100.00	1,65,30,000	-	1,65,30,000	100.00	-	-	-	-	-	-	1,65,30,000
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)	Non-Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Emp. Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>7</b>	<b>1,65,30,000</b>	<b>-</b>	<b>-</b>	<b>1,65,30,000</b>	<b>100.00</b>	<b>1,65,30,000</b>	<b>-</b>	<b>1,65,30,000</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,65,30,000</b>

The term "Encumbrance" has the same meaning as assigned under regulation 28(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

**Notes-**

- As on date of this Draft Red Herring Prospectus 1 Equity 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 with CDSL & NSDL.
- 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.

**12. 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 Draft Red Herring Prospectus: -

Sr. No.	Names of Shareholders	Equity Shares held (Face Value of Rs. 10 each)	% Pre Offer paid up Share Capital
1.	Niraj Arya	55,09,449	33.33
2.	Kunal Arya	55,08,898	33.33
3.	Deepak Arya	55,09,449	33.33
	<b>Total</b>	<b>1,65,27,796</b>	<b>99.99</b>

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

Sr. No.	Names of Shareholders	Equity Shares held (Face Value of Rs. 10 each)	% Pre Offer paid up Share Capital
1.	Niraj Arya	55,09,449	33.33
2.	Kunal Arya	55,08,898	33.33
3.	Deepak Arya	55,09,449	33.33
	<b>Total</b>	<b>1,65,27,796</b>	<b>99.99</b>

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

Sr. No.	Names of Shareholders	Equity Shares held (Face Value of Rs. 10 each)	% Pre Offer paid up Share Capital
1.	Niraj Arya	10,000	33.33
2.	Kunal Arya	10,000	33.33
3.	Deepak Arya	10,000	33.33
	<b>Total</b>	<b>30,000</b>	<b>100.00</b>

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

Sr. No.	Names of Shareholders	Equity Shares held (Face Value of Rs. 10 each)	% Pre Offer paid up Share Capital
1.	Niraj Arya	10,000	33.33
2.	Kunal Arya	10,000	33.33
3.	Deepak Arya	10,000	33.33
	<b>Total</b>	<b>30,000</b>	<b>100.00</b>

13. Our Company has not made any Initial Public Offer of specified securities in the preceding two years from the date of filing of this Draft Red Herring Prospectus.

14. 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 Offer. Further, except for the allotment of equity shares pursuant to the issue and the Pre-ipo Placement, if any 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.

**15. Capital Build-up in respect of Shareholding of our Promoters**

As on the date of this Draft Red Herring Prospectus, Our Promoters, Niraj Arya, Kunal Arya and Deepak Arya collectively hold 1,65,27,796 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 our Promoters 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-Offer Shareholding % (adjusted as per face value)	Post- Offer Shareholding % (adjusted as per face value)
<b>(A) Niraj Arya</b>							
July 15, 2021	10,000	10	10	Cash	Subscriber to MOA	0.06%	[●]
September 26, 2024	(1)	10	10	Cash	Transfer of shares <sup>(a)</sup>	Negligible	[●]
February 12, 2025	54,99,450	10	Nil	Other than Cash	Bonus Issue in the ratio of 550:1	33.27%	[●]
<b>Total (A)</b>	<b>55,09,449</b>					<b>33.33%</b>	<b>[●]</b>
<b>(B) Kunal Arya</b>							
July 15, 2021	10,000	10	10	Cash	Subscriber to MOA	0.06%	[●]
September 26, 2024	(2)	10	10	Cash	Transfer of shares <sup>(b)</sup>	Negligible	[●]
February 12, 2025	54,98,900	10	Nil	Other than Cash	Bonus Issue in the ratio of 550:1	33.27%	[●]
<b>Total (B)</b>	<b>55,08,898</b>					<b>33.33%</b>	<b>[●]</b>
<b>(C) Deepak Arya</b>							
July 15, 2021	10,000	10	10	Cash	Subscriber to MOA	0.06%	[●]
September 26, 2024	(1)	10	10	Cash	Transfer of shares <sup>(c)</sup>	Negligible	[●]
February 12, 2025	54,99,450	10	Nil	Other than Cash	Bonus Issue in the ratio of 550:1	33.27%	[●]
<b>Total (C)</b>	<b>55,09,449</b>					<b>33.33%</b>	<b>[●]</b>
<b>Grand Total (A+B+C)</b>	<b>1,65,27,796</b>					<b>99.99%</b>	<b>[●]</b>

*Note: None of the Shares has been pledged by our Promoters.*

**a) Details of sale of Shares by Niraj Arya by way of transfer of 1 Equity Shares dated September 26, 2024.**

Sr. No.	Date of Transfer	Name of Transferee	No. of Shares Transferred
1.	September 26, 2024	Arun Lata	1
		<b>Total</b>	<b>1</b>

**b) Details of sale of Shares by Kunal Arya by way of transfer of 2 Equity Shares dated September 26, 2024.**

Sr. No.	Date of Transfer	Name of Transferor	No. of Shares Transferred
1.	September 26, 2024	Saroj Arya	1
2.	September 26, 2024	Aanchal Aggarwal	1
		<b>Total</b>	<b>2</b>

## c) Details of sale of Shares by Deepak Arya by way of transfer of 1 Equity Shares dated September 26, 2024.

Sr. No.	Date of Transfer	Name of Transferor	No. of Shares Transferred
1.	September 26, 2024	Priyanka Arya	1
		<b>Total</b>	<b>1</b>

## 16. 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.	Niraj Arya	55,09,449	0.02
2.	Kunal Arya	55,08,898	0.02
3.	Deepak Arya	55,09,449	0.02

## 17. Shareholding of Promoters &amp; Promoter Group

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

Sr. No	Names	Pre IPO		Post IPO	
		Shares Held	% Shares Held	Shares Held	% Shares Held
	<b>Promoters</b>				
1.	Niraj Arya	55,09,449	33.33	[●]	[●]
2.	Kunal Arya	55,08,898	33.33	[●]	[●]
3.	Deepak Arya	55,09,449	33.33	[●]	[●]
	<b>Sub Total (A)</b>	<b>1,65,27,796</b>	<b>99.99</b>	<b>[●]</b>	<b>[●]</b>
	<b>Promoter Group</b>				
4.	Arun Lata	551	Negligible	[●]	[●]
5.	Saroj Arya	551	Negligible	[●]	[●]
6.	Priyanka Arya	551	Negligible	[●]	[●]
7.	Anchal Aggarwal	551	Negligible	[●]	[●]
	<b>Sub Total (B)</b>	<b>2,204</b>	<b>0.01</b>	<b>[●]</b>	<b>[●]</b>
	<b>Grand Total (A+B)</b>	<b>1,65,30,000</b>	<b>100.00</b>	<b>[●]</b>	<b>[●]</b>

## 18. Except as provided below, no Equity Shares were purchased/ sold by the Promoters and Promoter Group, Directors and their immediate relatives within six months immediately preceding the date of filing of this Draft Red Herring Prospectus.

Date of Transfer	Name of Shareholders	No. of Equity Share	% of Pre Offer Capital	Purchase/ Sale of Equity Share	Category of Allottees (Promoters/ Promoter Group/ Director)
September 26, 2024	Niraj Arya	(1)	Negligible	Transfer of shares	Promoter & Director
September 26, 2024	Kunal Arya	(2)	Negligible	Transfer of shares	Promoter & Director
September 26, 2024	Deepak Arya	(1)	Negligible	Transfer of shares	Promoter & Director
September 26, 2024	Arun Lata	1	Negligible	Acquisition by way of Transfer of shares	Promoter Group
September 26, 2024	Priyanka Arya	1	Negligible	Acquisition by way of Transfer of shares	Promoter Group
September 26, 2024	Saroj Arya	1	Negligible	Acquisition by way of Transfer of shares	Promoter Group
September 26, 2024	Anchal Aggarwal	1	Negligible	Acquisition by way of Transfer of shares	Promoter Group



19. 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 Draft Red Herring Prospectus.

## 20. Details of Promoter's 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 offer 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 offer. 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 Draft Red Herring Prospectus, our Promoters hold 1,65,27,796 Equity Shares constituting [●] % of the Post – offered, subscribed and paid up Equity Share Capital of our Company, which are eligible for the Promoter' contribution.

Our Promoters, Niraj Arya, Deepak Arya and Kunal Arya have given written consent to include 44,70,002 Equity Shares held by them as part of Promoters Contribution constituting [●]% of the post offer 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 Offer.

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-Offer Shareholding %	Lock in Period
<b>Niraj Arya</b>						
February 12, 2025	14,90,001	10	-	Bonus Issue (550:1)	[●]	3 years
<b>Kunal Arya</b>						
February 12, 2025	14,90,000	10	-	Bonus Issue (550:1)	[●]	3 years
<b>Deepak Arya</b>						
February 12, 2025	14,90,001	10	-	Bonus Issue (550:1)	[●]	3 years

\*Assuming full subscription to the Offer.

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 offer.

No Equity Shares proposed to be locked-in as Minimum Promoter's Contribution have been issued out of revaluation reserve or for consideration other than cash except bonus issue of shares dated February 12, 2025, as disclosed and revaluation of assets or capitalization of intangible assets, involved in such transactions.

The entire pre-offer shareholding of the Promoter, other than the Minimum Promoters contribution which is locked in for three years, shall be locked in a phased manner from the date of allotment in this offer as below:

- 50% promoters' holding shall be locked in for 1 year
- 50% promoters' holding shall be locked in for 2 years

**Eligibility of Share for “Minimum Promoter Contribution in terms of clauses of Regulation 237(1) of SEBI (ICDR) Regulations, 2018**

<b>Reg. No.</b>	<b>Promoter’ Minimum Contribution Conditions</b>	<b>Eligibility Status of Equity Shares forming part of Promoter’s Contribution</b>
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. <b>Hence Eligible</b>
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 Promoter’ contribution	The minimum Promoter’s contribution does not consist of such Equity Shares. <b>Hence Eligible</b>
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. <b>Hence Eligible</b>
237(1)(c)	Specified securities allotted to promoters during the preceding one year at a price less than the offer 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 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	The minimum Promoter’s contribution does not consist of such Equity Shares. <b>Hence Eligible</b>
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. <b>Hence Eligible</b>

**Details of Promoter’ Contribution Locked-in for One Year and Two Years**

In terms of Regulation 238(b) of the SEBI (ICDR) Regulations, 2018 and SEBI (ICDR) (Amendment) Regulations, 2025, in addition to the Minimum Promoters contribution which is locked in for three years held by the promoters, as specified above, the 50% of pre-offer Equity Shares constituting 55,03,897 Equity Shares shall be locked in for a period of one year and remaining 50% of pre-offer Equity Shares constituting 55,03,897 Equity Shares shall be locked in for a period of two years from the date of allotment of Equity Shares in this Offer.

**Details of pre-offer equity shares held by persons other than the promoters locked-in for One Year**

In terms of Regulation 239 of the SEBI (ICDR) Regulations, 2018, in addition to the Minimum Promoters contribution as per regulation 238(a) and 238(b) of the SEBI (ICDR) Regulations, 2018, the entire pre-offer equity shares held by persons other than the promoters constituting 2,204 Equity Shares shall be locked in for a period of one year from the date of allotment of Equity Shares in this Offer. The equity shares shall include any equity shares allotted pursuant to a bonus issue against equity shares allotted pursuant to an employee stock option or employee stock purchase scheme or a stock appreciation right scheme.

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 Offer.

There shall be a lock-in of 90 days on 50% of the Equity Shares allotted to the Anchor Investors from the date of Allotment, and a lock-in of 30 days on the remaining 50% of the Equity Shares allotted to the Anchor Investors from the date of Allotment.

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 Offer 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.
21. Neither, we nor our Promoters, Directors and the BRLM to this Offer have entered into any buyback and/ or standby arrangements and/ or similar arrangements for the purchase of our Equity Shares from any person.
22. As on the date of this Draft Red Herring Prospectus, the entire Issued Share, Subscribed and Paid-up Share Capital of our Company is fully paid up. Since the entire offer price in respect of the offer is payable on application, all the successful applicants will be allotted fully paid- up Equity shares.
23. The BRLM i.e., Hem Securities Limited and their associates do not hold any Equity Shares in our Company as on the date of filing of this Draft Red Herring Prospectus.
24. As on the date of this Draft Red Herring Prospectus, we do not have any Employees Stock Option Scheme / Employees Stock Purchase Scheme/ Stock Appreciation Right Scheme and we do not intend to allot any shares to our employees under Employee Stock Option Scheme/ Employee Stock Purchase Plan/ Stock Appreciation Right Scheme from the proposed offer. 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.
25. We have 7 (Seven) shareholders as on the date of filing of this Draft Red Herring Prospectus.
26. As on the date of filing of this Draft Red Herring 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.
27. Our Company has not raised any bridge loan against the proceeds of the Offer.
28. As on the date of this Draft Red Herring Prospectus, none of the shares held by our Promoters/ Promoter Group are subject to any pledge.
29. We hereby confirm that there will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner except for the issued and allotment of Equity Shares pursuant to the Pre- IPO Placement, if any, during the period commencing from the date of the Draft Red Herring Prospectus until the Equity Shares offered have been listed or application money unblocked on account of failure of Offer.
30. An over-subscription to the extent of 1% of the Offer subject to the maximum post offer paid up capital of Rs. 25 cr. 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 Offer. Consequently, the actual allotment may go up by a maximum of 1% of the Offer, as a result of which, the post-offer paid up capital after the Offer 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 Offer paid-up capital is locked in.

31. 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 effected 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.
32. In case of over-subscription in all categories the allocation in the offer shall be as per the requirements of Regulation 253 of SEBI (ICDR) Regulations, 2018 and its amendments from time to time.
33. At any given point of time there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
34. 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.
35. There are no Equity Shares against which depository receipts have been issued.
36. Other than the Equity Shares, there is no other class of securities issued by our Company.
37. There are no safety net arrangements for this public offer.
38. As per RBI regulations, OCBs are not allowed to participate in this offer.
39. Our Promoter and Promoter Group will not participate in this Offer.
40. This Offer is being made through Book Building Method.
41. Our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation.
42. In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended, (the SCRR) the Offer is being made for at least 25% of the post-offer paid-up Equity Share capital of our Company. Further, this Offer is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.
43. No person connected with the Offer 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.
44. 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 with the RoC and the Offer Closing Date shall be reported to the Stock Exchanges within 24 hours of such transactions being completed.

## OBJECTS OF THE OFFER

This Offer includes a fresh Issue of up to 52,80,000 Equity Shares and Offer for Sale of up to 11,40,000 equity shares by the promoter selling shareholders of our company at an offer price of ₹ [●] per equity share.

We believe that listing will enhance our corporate image and visibility of brand name of our Company. We also believe that our Company will receive the benefits from listing of Equity Shares on the SME Platform of BSE Limited. It will also provide liquidity to the existing shareholders and will also create a public trading market for the Equity Shares of our Company.

The main objects clause of our Memorandum enables our Company to undertake its existing activities.

### Offer for Sale

Our Company will not receive any proceeds of the Offer for Sale by the Promoter Selling Shareholders. The Promoter Selling Shareholders will be entitled to the respective proportion of the proceeds of the Offer for Sale after deducting their portion of the Offer related expenses and relevant taxes thereon. Other than the listing fees for the Offer, all cost, fees and expenses in respect of the Offer will be shared amongst our Company and Promoter Selling Shareholders, respectively, in proportion to the proceeds received for the Fresh issue and their respective portion of Offered Shares, as may be applicable, upon the successful completion of the Offer.

### Fresh Issue

Our Company proposes to utilize the funds which are being raised through the Fresh Issue, up to ₹ [●] lakhs, after deducting the Offer related expenses to the extent payable by our Company with respect to the Fresh Issue, towards funding the following objects:

1. Repayment and/or pre-payment, in full or part, of borrowing availed by our Company.
2. Funding the Capital Expenditure requirements towards setting up of a new manufacturing unit.
3. To Meet Working Capital Requirement.
4. General Corporate Purpose.

(Collectively referred as the “Objects”)

### Net Proceeds

The details of the Net Proceeds are set forth below:

Particulars	Amount
Gross Proceeds of the Offer	[●] <sup>[1]</sup>
<b>Less:</b> Offer related expenses in relation to Fresh Issue <sup>[2]</sup>	[●]
Net Proceeds	[●]

<sup>(1)</sup> Includes the proceeds, if any, received pursuant to the Pre-IPO Placement which may be undertaken, in consultation with the BRLMs. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Prior to the completion of the Issue, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Issue or the Issue may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and Prospectus.

<sup>(2)</sup> Except for the Listing fees, which will be borne by our Company, all other expenses relating to the offer as mentioned above will be borne by our Company in proportion to the Equity Shares contributed / issued in the Issue. See “–Offer Related Expenses” on page 87.

**Requirement of Funds and Utilization of Net Proceeds**

The Net Proceeds are proposed to be used in accordance with the details as set forth below:

(Amount in Rs. Lakhs)

S. No.	Particulars	Amount
1.	Repayment and/or pre-payment, in full or part, of borrowing availed by our Company	2,450.00
2.	Funding the Capital Expenditure requirements towards setting up of a new manufacturing unit	2,388.97
3.	To Meet Working Capital Requirement	[●]
4.	General Corporate Purpose	[●]
	<b>Total</b>	[●]

Includes the proceeds, if any, received pursuant to the Pre-IPO Placement. Upon allotment of securities pursuant to the Pre-IPO Placement, our Company shall utilize the proceeds from such Pre-IPO Placement towards the Objects of the Offer.

Our fund requirements and deployment thereof are based on internal management estimates of our current business plans and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in light of changes in external circumstances or costs or in other financial conditions, business strategy, as discussed further below.

**Details of Utilization of Net Proceeds**

The details of utilization of the Net Proceeds are set forth herein below:

**1. Repayment and/or pre-payment, in full or part, of borrowing availed by our Company;**

Our Company has entered into various financial arrangements from time to time, with banks and financial institutions. The loan facilities availed by our Company include borrowing in the form of, inter alia, term loans and working capital facility from various lenders. For further details, see “*Statement of Financial Indebtedness*” on page 220 of this Draft Red Herring Prospectus. Our Company proposes to utilise an estimated amount of ₹ 2,450.00 Lakhs from the Net Proceeds towards full or partial repayment or pre-payment of borrowing, listed below, availed from the various lenders. Pursuant to the terms of the financing arrangements, prepayment of borrowing may attract prepayment charges as prescribed by the respective lender. Such prepayment charges, as applicable, will be funded from the internal accruals of our Company.

We believe that such repayment/ pre-payment will help reduce our outstanding indebtedness, debt servicing costs, assist us in maintaining a favourable debt to equity ratio and enable utilisation of our internal accruals for further investment in our business growth and expansion. Additionally, we believe that the leverage capacity of our Company will improve our ability to raise further resources in the future to fund our potential business development opportunities and plans to grow and expand our business.

The details of the borrowings availed by our Company, which are proposed to be fully or partially repaid or pre-paid from the Net Proceeds is mentioned below:

(Amount in Rs. Lakhs)

Sr. No.	Name of the lender	Purpose	Loan/ Agreement A/c No./ Ref. No. and Date	Sanctioned amount	Prepayment Penalty	Rate of Interest – P.A. (%)	Repayment date/ Schedule	Amount Outstanding as at March 19, 2025
1.	HDFC Bank Limited	Cash Credit for Working Capital	50200061844237	1600.00	N.A.	8.75% Linked with TBILL with 3 months frequency	Repayable on Demand (Annual Renewal)	1566.95
		Term Loan	86614863	480.00	N.A.		90 monthly instalments of Rs. 7.26 lakhs	342.77

Sr. No.	Name of the lender	Purpose	Loan/ Agreement A/c No./ Ref. No. and Date	Sanctioned amount	Prepayment Penalty	Rate of Interest – P.A. (%)	Repayment date/ Schedule	Amount Outstanding as at March 19, 2025
		Term Loan	88676580	200.00	N.A.		61 monthly instalments amount Rs. 3.26 lakhs	120.32
2.	ICICI Bank Limited	Cash Credit	246151000038	499.00	N.A.	8.25%	Repayable on Demand (Annual Renewal)	488.80
<b>TOTAL</b>								<b>2518.84</b>

**Note:** The details included in the above table have been certified by our Statutory Auditors pursuant to their certificate dated March 24, 2025.

Our Statutory Auditors by way of their certificate dated March 24, 2025, have confirmed that the borrowings specified above has been utilized for the purposes availed, as per the sanction letters/loan agreements issued by the respective banks.

## 2. Funding the Capital Expenditure requirements towards setting up of a new manufacturing unit:

We are primarily engaged in the business of manufacturing, assembling and supplying of electric vehicles, offering a range of electric two-wheelers (“E-2Ws”) and three-wheelers (“3Ws”), available in a variety of design, color, speed variants etc. We are an ISO 45001:2018, ISO 9001:2015 and ISO 14001:2015 certified company, operating under the brand name “Zelio” for E-2Ws and “Tanga” for 3Ws and focussing exclusively on the production of E-2Ws and 3Ws which serves environmental benefits such as lower emissions, reduced noise, energy sustainability etc. We launched the first range of electric scooters in FY 2021-22 and operate through a network of exclusive and non-exclusive dealers spanning across urban, semi-urban and rural areas.

Currently we are operating our business through corporate office and manufacturing unit situated at Khewat No 510, 442, Hisar Road, Ladwa, Hisar- 125006, Haryana, India, spreading in an area of 48 kanal 7 marle (equivalent to 24,458.01 sq. mtrs.). We have an installed capacity of producing 72000 units p.a. (electric two-wheelers/three-wheelers) and are equipped with various machines such as Conveyor Line-32 meter long, welding machines, impact wrenches, bolt tightening tools, drilling tools etc. for manufacturing, assembling and supplying of electric vehicles. We manufacture EVs by assembling various parts which we outsource from suppliers as per the designs conceptualised by the company.

Our Company intends to make capital expenditure towards setting up new manufacturing unit at Khasra No. 40//11/ 1(0-8), 11/3(4-12), 18/2(3-4), 19(9-16), 20/1(5-6), 21/2(4-2), 22(8-0), 23(8-0), 24/1(2-16), Khewat No.716//581, Khetoni No. 900, Patan, Hisar- 125120, Haryana, India for which Company has been taken on lease for the period of 10 years.

### Estimated Cost

The capital expenditure required for this expansion is estimated as set out below:

Sr No	Particulars	Estimated Cost	Amount to be utilized from Net Proceeds
a	Building and Civil Works	344.94	2388.97
b	Plant & Machineries	1,921.31	
c	Government Approvals, Permissions And Clearances	122.72	
	<b>Total</b>	<b>2,388.97</b>	

**(a) Building and Civil Works**

Building and civil works for the Project mainly includes all civil work with supply and erection of pre-engineering building with civil work for shed area, office block and other works. Our company has received quotations from various vendors but we are yet to place order. The total estimated cost for civil construction is Rs. 344.94 Lakhs. Details for quotations are as follows:

(₹ in Lakhs)				
Date	Item Descriptions	Supplier Name	Validity of Quotation	Estimated Cost #
March 04, 2025	Supply & Erection of Pre-Engineering Building System	Shree Ram Steel Industries	3 Months	288.59
February 27, 2025	Office Block	Rathor Construction Company	6 Months	56.35
<b>TOTAL</b>				<b>344.94</b>

<sup>#</sup>Inclusive of GST

**(b) Plant & Machineries**

Our Company proposes to acquire plant and machinery at an estimated cost of Rs. 1,921.31 lakhs. Our Company has identified the type of plant and machinery to be purchased for the proposed manufacturing unit and obtained quotation from various vendors but we are yet to place order for 100% of the plant and machinery. The company intends to expand its manufacturing capacity with these new installations and machineries. The detailed of plant & machinery to be acquired by our Company is provided below:

(₹ in Lakhs)					
Date	Item Descriptions	Qty.	Supplier Name	Validity of Quotation	Estimated Cost #
March 03, 2025	Assembly Line Slat Conveyor	1	BharatQ Conveyor Automation Pvt. Ltd.	90 Days	48.97
February 08, 2025	Dip Type Pre-Treatment line and conveyORIZED paint shop-CED line	1	KSW India Pvt. Ltd	6 Months	252.64
January 20, 2025	Dip Type Pre-treatment line and conveyORIZED paint shop	1	KSW India Pvt. Ltd	6 Months	271.40
March 03, 2025	125 KVA Silent DG Set	1	Sudhir Power Limited	120 Days	13.63
February 08, 2025	CNC Synchro Y1 Y2 X Hydraulic Press Brake 100 Ton	1	TECHPRO	June 10, 2025	19.77
February 08, 2025	NC Hydraulic Shearing Machine	1	TECHPRO	June 10, 2025	11.80
February 12, 2025	Fiber Laser Cutting Machine	1	Hindustan Hydraulic	4 Months	61.36
February 11, 2025	2.5 Inch Pipe Size- 3 Axis CNC Pipe Bending Machine	1	Thorson Industries LLP	180 Days	21.48
February 11, 2025	1.5 Inch Hydraulic All Three Roller Pipe Bending Machine	1	Thorson Industries LLP	180 Days	2.71
February 12, 2025	MASKOT horizontal metal cutting bandsaw cutting	1	Machine Inc.	3 Months	0.85
February 12, 2025	Air Tool IW -4HD/6ND (Sleeve Type) and 10N/13N ((Snap Type)	30	IEC Air Tools Pvt. Ltd	6 Months	5.20
March 05, 2025	Ferro Measuring Machine	1	Nuvant Consulting Pvt Ltd	June 05, 2025	37.58
March 03, 2025	Salt Spray Machine	1	Sri Equipments	90 Days	6.86
February 13, 2025	Mechanical Power Press 100T	2	Arjun Engineering Works	3 Months	20.65
February 10, 2025	Solar Panel	1	Meenakshi Trading Co.	6 Months	105.00
February 19, 2025	Material Storage Rack	1	Ganpati Steel	3 Months	18.59
March 05, 2025	Auster Ceiling Fan	5	Austar Technology	6 Months	10.21
February 18, 2025	Security System	1	A to Z Security	6 Months	2.73
February 18, 2025	Tyre Fitting Machine	1	Auto test Machines	180 Days	4.76
March 07, 2025	Electrical Work	-	Hindustan Power Control System	6 Months	122.36



Date	Item Descriptions	Qty.	Supplier Name	Validity of Quotation	Estimated Cost #
March 04, 2025	Air Compressor	1	Competent Pneumatic Pvt. Ltd	31.08.2025	19.65
March 03, 2025	Weight bridge	1	Electroweigh Solutions	6 Months	6.27
March 22, 2025	Mould for Plastic Part	2	JSG Innotech Pvt. Ltd.	3 Months	848.79
February 03, 2025	Design Software & Licence System	1	DDSPLM Pvt. Ltd.	3 Months	8.05
<b>TOTAL</b>					<b>1921.31</b>

#Inclusive of GST

**c) Government Approvals, Permissions and Clearances**

The total estimated cost for obtaining government approvals, permissions and clearances for the electric vehicle is approximately ₹122.72 lakhs which have been provided from various consultants which is as follows:

(₹ in Lakhs)

Date	Item Descriptions	Consultant Name	Validity of Quotation	Estimated Cost #
February 14, 2025	Lights Approval Cost	Born For EV	Six Months	31.86
February 14, 2025	Vehicle Approval Cost	Born For EV	Six Months	74.34
March 12, 2025	States Approval Cost	Celex Technologies Pvt. Ltd.	Six Months	16.52
<b>TOTAL</b>				<b>122.72</b>

#Inclusive of GST

Our company undertakes to file necessary applications with the relevant authorities to obtain all approvals, as applicable at the relevant stages, including but not limited to those mentioned below:

S. No.	Nature of License/ Approval/ NOCs	Applicable Laws	Name of Authority	Status
1	Factory License	Factories Act, 1948	Chief Inspector of Factories, Haryana	After completion of factory construction
2	Consent to Establish & Consent to Operate	Section 25/26 of the Water (Prevention & Control of Pollution) Act, 1974 and under section 21/22 of the Air (Prevention & Control of Pollution) Act, 1981	Regional Officer, Hisar, Haryana, State Pollution Control Board	Prior to commencement of commercial production
3	Fire Safety Certificate	The Haryana Fire and Emergency Services Act, 2022	Director General, Fire Service, Haryana Panchkula	Prior to commencement of commercial production

In the event of any unanticipated delay in receipt of such approvals, the proposed schedule of implementation and deployment of the Net Proceeds may be extended or vary.

**Notes:**

- a) Quotation received from the vendor mentioned above is valid as on the date of this Draft Red Herring Prospectus. However, we have not entered into any definitive agreements with any of the vendor and there can be no assurance that the same vendor would be engaged to eventually supply the Machinery or other works at the same costs. If there is any increase in the costs, the additional costs shall be paid by our Company from its internal accruals see **“Risk Factor– “If there are delays in setting up the Proposed manufacturing unit or if the costs of setting up and the possible time or cost overruns related to the Proposed manufacturing unit or the purchase of plant and machinery are higher than expected, it could have a material adverse effect on our financial condition, results of operations and growth prospects.”** on page 35 of this Draft Red Herring Prospectus.

- b) All costs are based on the present estimates of management. The Management shall have the flexibility to revise such estimates (including but not limited to changes in vendors, changes in machinery, modifications/additions/deletions to property specifications, or decisions related to property, such as acquiring adjacent land, relocating to a different property, expanding existing property, or altering the intended use or structure of the property) at the time of actual placement of the order. In such cases, the Management can utilize any surplus proceeds, if any, arising at the time of actual placement of the order, to meet the cost of such other equipment, utilities, property adjustments, or related requirements as deemed necessary. Furthermore, if any surplus from the proceeds remains after meeting the total cost for the aforesaid purpose, the same will be used for general corporate purposes, subject to a limit of 15% of the amount raised by our Company through fresh Issue or ₹ 10 crores, whichever is lower.
- c) Our Company proposes to deploy the entire Net Proceeds towards the Objects. If the Net Proceeds are not utilized (in full or in part) for the Objects of the Offer during the period stated above due to factors such as (i) the timing of completion of the Offer; (ii) market conditions outside the control of our Company; and (iii) any other business and commercial considerations, the remaining Net Proceeds shall be utilized (in part or full) in subsequent periods as may be determined by our Company, in accordance with applicable laws.
- d) We are not acquiring any second-hand machinery.
- e) The quotations relied upon by us in arriving at the above estimated cost are valid for a specific period of time and may lapse after the expiry of the said period. Consequent upon which, there could be a possible escalation in the cost of machinery proposed to be acquired by us at the actual time of purchase, resulting in increase in the estimated cost. Further, cost could be escalated on account of freight expenses, installation charges, packaging & forwarding, exchange rate fluctuations, custom duty etc. Such cost escalation would be met out of our internal accruals.

### 3. To Meet Working Capital Requirement

With the expansion of the business the company, we will be in the need of additional working capital requirements. The major capital will be invested in the trade receivables, inventories and payment to trade payables and funding day to day operations. The Company will meet the requirement to the extent of ₹[●] Lakhs from the Net Proceeds of the Offer and balance from borrowings at an appropriate time as per the requirement. Details of Estimation of Working Capital requirement are as follows:

(Amount in Rs. Lakhs)

Sr. No.	Particulars	Audited (Restated)				Estimated	
		31-Mar-22	31-Mar-23	31-Mar-24	30-Sep-24	31-Mar-25	31-Mar-26
<b>I</b>	<b>Current Assets</b>						
	Inventory	580.86	648.73	1,352.11	3,032.67	2,997.26	4,873.26
	Trade Receivables	26.37	98.32	160.88	134.59	329.89	536.36
	Cash and bank balances	2.74	9.95	5.24	12.66	10.00	10.00
	Short Term Loans & Advances	198.29	325.48	518.46	962.70	985.07	1,970.15
	<b>Total (A)</b>	<b>808.26</b>	<b>1,082.48</b>	<b>2,036.69</b>	<b>4,142.62</b>	<b>4,322.22</b>	<b>7,389.77</b>
<b>II</b>	<b>Current Liabilities</b>						
	Trade payables	170.00	85.50	275.79	912.44	496.24	620.65
	Other current liabilities	182.39	52.14	115.86	375.38	369.81	386.14
	Short-term provisions	0.22	13.00	31.86	124.49	34.20	37.62
	<b>Total (B)</b>	<b>352.61</b>	<b>150.64</b>	<b>423.50</b>	<b>1,412.31</b>	<b>900.26</b>	<b>1,044.41</b>
<b>III</b>	<b>Total Working Capital Gap (A-B)</b>	<b>455.65</b>	<b>931.84</b>	<b>1,613.19</b>	<b>2,730.31</b>	<b>3,421.97</b>	<b>6,345.36</b>
<b>IV</b>	<b>Funding Pattern</b>						
	Short Term Borrowings & Internal accruals	<b>455.65</b>	<b>931.84</b>	<b>1,613.19</b>	<b>2,730.31</b>	<b>3,421.97</b>	[●]
	<b>IPO Proceeds</b>						[●]

#### Assumptions for working capital requirements

The following table sets forth the details of the holding period (with days rounded to the nearest whole number) considered for the period ended on September 30, 2024 and for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022, as well as estimated for financial year ended March 31, 2025 and March 31, 2026.

Particulars	Unit	31-Mar-22	31-Mar-23	31-Mar-24	30-Sep-24	31-Mar-25	31-Mar-26
		Audited (Restated)				Estimated	
Debtors	Days	4	4	5	4	5	6
Creditors	Days	20	11	8	14	10	9
Inventories	Days	108	51	46	66	61	54

**Justification:**

<b>Debtors</b>	The historical holding days of trade receivables has been ranging between 4 to 5 days during fiscal years 2021-22 to 2023-24. Zelio Brand value & demand of product is increasing day by day & demand of product is also increasing. The Company wishes to extend more favorable credit terms to its customers, thus resulting into higher growth of sales and revenue from operations. Thus, as per the current credit terms, the holding level for debtors is anticipated at 5 days to 6 days during Fiscal 2024-25 and Fiscal 2025-26. This adjustment with company's strategy to expand operations while ensuring financial sustainability.
<b>Creditors</b>	Past trend of trade payables holding days has been in the range of 8 to 20 days approximately during Fiscal 2021-22 to 2023-24. However, with additional working capital the company intends to reduce trade payables to 9 to 10 days during Fiscal 2024-25 to 2025-26 to avail competitive purchase price to increase overall profit company. By reducing time to settle payables company aims to negotiate more favor terms and conditions with its suppliers, enabling to access competitive pricing for procured and maintain leverage in supplier negotiations.
<b>Inventories</b>	Inventories include raw material and finished goods. To increase business operations, the company estimates inventories holding days 54 to 61 days in Fiscal 2024-25 to 2025-26 which was in historical inventories holding days 46 to 108 days in Fiscal 2021-22 to 2023-24. As sale increase in Fiscal 2024-25 to Fiscal 2025-26, it will additionally require higher levels of inventory to meet the required demand and achieve operational efficiency. Thus, the inventories for FY 2024-25 to FY 2025-26 are in line with the business requirements based on the sales. The infusion of funds will help the company in holding sufficient inventories turn will help in timely fulfilment of orders.  Moreover, Company will have to manage higher lead time of few components because turnaround time from purchase order to execution can increase, therefore to successfully deliver orders company may need to maintain required levels of inventories which collected at the initiation of the orders. Hence to meet required level of inventories, there is additional need of working capital in future years.

**4. General Corporate Purpose**

Our Company intends to deploy the balance Net Proceeds towards general corporate purposes, subject to such utilization not exceeding 15% of the Proceeds of fresh issue or Rs. 10 Crores, whichever is lower, in accordance with Regulation 230(2) of the SEBI ICDR Regulations, to drive our business growth, including, amongst other things, (i) funding growth opportunities, including strategic initiatives; (ii) meeting any expenses incurred in the ordinary course of business by the Company; (iii) servicing of borrowings including payment of interest; (iv) brand building and other marketing expenses; (v) meeting of exigencies which our Company may face in the course of any business; and (vi) any other purpose as permitted by applicable laws and as approved by our Board or a duly appointed committee thereof.

We confirm that any Offer related expenses shall not be considered as a part of General Corporate Purpose. Further in case, our actual offer expenses turn to be lesser than the estimated offer expenses of Rs. [●] lakhs, such surplus amount shall be utilized for General Corporate Purpose in such a manner that the amount for general corporate purposes, as mentioned in the Draft Red Herring Prospectus, shall not exceed 15% of the amount raised by our Company through Proceeds from Fresh Issue or Rs. 10 Crores, whichever is lower.

**Offer related Expenses**

The total expenses for this Offer are estimated to be approximately Rs. [●] Lakhs, which is [●] % of the Offer Size. All the Offer related expenses shall be proportionately met out from proceeds of the offer as per applicable laws. The break-up of the same is as follows:

Particulars	Estimated expenses (Amount in Rs. Lakhs)*	As a % of total estimated Offer related expenses	As a % of the total Offer Size
Fees payable to the BRLM (inclusive underwriting commission)	[●]	[●]	[●]
Fees Payable to the Registrar to the Offer	[●]	[●]	[●]
Fees Payable for Advertising and Publishing Expenses	[●]	[●]	[●]
Fees Payable to the Regulators including Stock Exchanges	[●]	[●]	[●]
Payment for Printing & Stationery, Postage, etc.	[●]	[●]	[●]
Fees Payable to Auditor, Legal Advisors and other Professionals	[●]	[●]	[●]
Others, if any (Fees payable for Marketing & distribution expenses, Sponsor Bank/Banker(s) to the Offer, Selling Commission, Brokerage, depositories, Depository Participant, Monitoring Agency, Peer Review Auditors, Processing Fees* and Miscellaneous Expenses).	[●]	[●]	[●]
<b>Total Estimated Offer Expenses</b>	[●]	[●]	[●]

\*Offer expenses will be finalized on determination of offer Price and incorporated at the time of filing of the Prospectus. Issue expenses excluding applicable taxes, where applicable. Offer expenses are estimates and are subject to change.

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

Portion for Individual Bidders*	[●] % of the Amount Allotted* (plus applicable taxes)
Portion for Non-Institutional Bidders*	[●] % of the Amount Allotted* (plus applicable taxes)

\*Amount allotted is the product of the number of Equity Shares Allotted and the Offer Price. 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 or NSE

(2) No uploading/ processing fees shall be payable by our Company to the SCSBs on the applications directly procured by them. Processing fees payable to the SCSBs on the portion for Individual Bidders and Non-Institutional Bidders which are procured by the members of the Syndicate/ sub-Syndicate/ Registered Broker/ CRTAs/ CDPs and submitted to SCSB for blocking, would be as follows:

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

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

(3) The processing fees for applications made by Individual Bidders using the UPI Mechanism would be as follows:

Members of the Syndicate/ RTAs/ CDPs (uploading charges)	[●] per valid application (plus applicable taxes)
Sponsor Bank - [●]	[●] per valid Bid cum Application Form* (plus applicable taxes) The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable laws.

\*For each valid application by respective Sponsor Bank

Notwithstanding anything contained above in this clause the total Uploading charges/ Processing fees payable to Members of the Syndicate/ RTAs/ CDPs for applications made by Individual Bidders, Non-Institutional Bidders (for an amount more than ₹200,000 and up to ₹500,000) using the UPI Mechanism and in case if the total uploading charges/ processing fees exceeds [●] (plus applicable taxes) then uploading charges/ processing fees using UPI Mechanism will be paid on pro-rata basis.

(4) Selling commission on the portion for Individual Bidders and Non-Institutional Bidders which are procured by members of the Syndicate (including their sub-Syndicate Members), Registered Brokers, CRTAs and CDPs or for using 3-in-1 type accounts- linked

online trading, demat & bank account provided by some of the Registered Brokers which are Members of the Syndicate (including their Sub-Syndicate Members) would be as follows:

Portion for Individual Bidders	[●] % of the Amount Allotted* (plus applicable taxes)
Portion for Non-Institutional Bidders	[●] % of the Amount Allotted* (plus applicable taxes)

\*Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price

Uploading charges payable to Members of the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs on the applications made by Individual Bidders 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: [●] 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 Individual Bidders 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 Individual Bidders*	[●] per valid application (plus applicable taxes)
Portion for Non-Institutional Bidders*	[●] per valid application (plus applicable taxes)

\* Based on valid applications

Notwithstanding anything contained above the total uploading/ bidding charges payable under this clause will not exceed [●] (plus applicable taxes) and in case if the total uploading/ bidding charges exceeds [●] (plus applicable taxes) then uploading charges will be paid on pro-rata basis.

The Selling Commission payable to the Syndicate/ Sub-Syndicate Members will be determined on the basis of the Bid cum 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 Bid cum 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 Individual Bidders and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking, would be as follows: [●] plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs.

The selling commission and bidding charges payable to Registered Brokers the CRTAs and CDPs will be determined on the basis of the bidding terminal ID as captured in the Bid Book of BSE or NSE

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and/or Escrow and Sponsor Bank Agreement. Further, 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/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.

#### Proposed Schedule of Implementation:

The proposed year wise break up of deployment of funds and Schedule of Implementation of Net Offer Proceeds is as under:

(Amount in Rs. Lakhs)

Sr. No.	Particulars	Amount to be deployed and utilized in F.Y. 2025-26
1.	Repayment and/or pre-payment, in full or part, of borrowing availed by our Company	2450.00
2.	Funding the Capital Expenditure requirements towards setting up of a new manufacturing unit	2388.97
3.	To Meet Working Capital Requirement	[●]
4.	General Corporate Purpose	[●]
	<b>Total</b>	[●]

To the extent our Company is unable to utilize any portion of the Net Proceeds towards the Objects, as per the estimated schedule of deployment specified above, our Company shall deploy the Net Proceeds in the subsequent Financial Year towards the Objects.

### **Means of finance of the project**

Since, the entire fund requirement is to be funded from the proceeds of the Fresh Issue and existing identifiable internal accruals, there is no requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance. In case of a shortfall in the Proceeds from the Fresh Issue or any increase in the actual utilisation of funds earmarked for the Objects, our Company may explore a range of options including utilizing our internal accruals and/or seeking additional debt from existing and/or other lenders. For further details on the risks involved in our business plans and executing our business strategies, please see the section titled “*Risk Factors*” beginning on page 29 of the Draft Red Herring Prospectus.

### **Appraisal**

None of the Objects have been appraised by any bank or financial institution or any other independent third-party organization. The funding requirements of our Company and the deployment of the proceeds of the Issue are currently based on available quotations and management estimates. The funding requirements of our Company are dependent on a number of factors which may not be in the control of our management, including but not limited to variations in interest rate structures, changes in our financial condition and current commercial conditions of our Business and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy.

### **Shortfall of Funds**

Any shortfall in meeting the fund requirements will be met by way of internal accruals and/or borrowings and/or unsecured Loans.

### **Bridge Financing Facilities**

As on the date of this Draft Red Herring Prospectus, we have not entered into any bridge finance arrangements that will be repaid from the Net Proceeds. However, in case of delay in the IPO and consequent delay in accessing the net proceeds of the Offer, we may draw down such amounts, as may be required, from an overdraft arrangement / cash credit / term loan facility with our lenders or through unsecured loans to finance setting up of facilities as described in the section ‘Objects of the Offer’ until completion of the Offer. Any amount that is drawn down from such facility availed from any Bank/NBFC or Financial Institution or through unsecured loans during this period to finance ‘Objects of the Offer’ will be repaid from the Net Proceeds of the Offer.

### **Monitoring Utilization of Funds**

In terms of Regulation 262 of the SEBI ICDR Regulations, our Company shall appoint a monitoring agency to monitor the utilization of the Net Proceeds prior to filing the Red Herring Prospectus. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay, in accordance with applicable law. Our Company will disclose the utilization of the Net Proceeds, including interim use under a separate head in its balance sheet for such Fiscals as required under the SEBI ICDR Regulations, the SEBI Listing Regulations and any other applicable laws or regulations, clearly specifying the purposes for which the Net Proceeds have been utilized.

Pursuant to Regulation 18(3) and Regulation 32(3) of the SEBI Listing Regulations, our Company shall on a half yearly basis, disclose to the Audit Committee the use and application of the Net Proceeds. Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating (i) deviations, if any, in the actual utilization of the proceeds of the offer from the objects of the offer as stated above; and (ii) details of category wise variations in the actual utilization of the Net proceeds of the offer from the objects of the offer as stated above, until such time as the proceeds of the offer have been fully utilized or the purpose for which the proceeds have been raised have been achieved.

### **Interim Use of Proceeds**

Pending utilization for the purposes described above, our Company intends to deposit the funds temporarily in the scheduled commercial banks included in the second schedule of the Reserve Bank of India Act, 1934, as may be approved by our Board of Directors in compliance with the Companies Act, 2013 and other applicable laws.

Our Company confirms that pending utilization of the Net Proceeds towards the stated objects of the Offer, our Company shall not use/deploy the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

**Variation in Objects**

In compliance with Section 27 of the Companies Act, 2013, our Company will not vary the Objects of the Offer unless our Company is authorized to do so by way of a special resolution of its Shareholders and such variation will be in accordance with applicable laws, including the Companies Act, 2013 and the SEBI ICDR Regulations. 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, 2013 and applicable rules. The notice shall simultaneously be published in the newspapers, one in English and one in regional language of where our Registered and Corporate Office is situated, in accordance with the Companies Act, 2013 and applicable rules. Our Promoters or controlling shareholders must provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the Objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

**Other confirmations**

There are no material existing or anticipated transactions with our Promoter, our Directors, our Company's key Managerial personnel, and Senior Management in relation to the utilization of the Net Proceeds. No part of the Net Proceeds will be paid by us as consideration to our Promoters, our Directors or key managerial personnel or Senior Management Personnel except in the normal course of business and in compliance with the applicable laws.

### **BASIS FOR OFFER PRICE**

Investors should read the following summary with the section titled “**Risk Factors**”, the details about our Company under the section titled “**Our Business**” and its financial statements under the section titled “**Financial Information of the Company**” beginning on page 29, 111 and 169 respectively of the Draft Red Herring Prospectus. The trading price of the Equity Shares of Our Company could decline due to these risks and the investor may lose all or part of his investment.

Price Band/ Offer Price shall be determined by our Company in consultation with the Book Running Lead Manager on the basis of the assessment of market demand for the Equity Shares through the Book Building Process and on the basis of the qualitative and quantitative factors as described in this section. The face value of the Equity Shares is ₹10/- each and the Offer Price is [●] times of the face value at the lower end of the Price Band and [●] times of the face value at the upper end of the Price Band.

### **QUALITATIVE FACTORS**

We believe the following business strengths allow us to successfully compete in the industry:

- a) Extensive network of dealers covering major parts of India
- b) Quality Assurance ensuring standardized product quality
- c) Revenue derived from a geographically dispersed customer base
- d) Proven track record of Financial Success
- e) Experienced Promoters with senior management backed by marketing team

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled “**Our Business**” beginning on page 111 of this Draft Red Herring Prospectus.

### **QUANTITATIVE FACTORS**

The information presented below relating to our Company is based on the Restated Financial Statements. For details, please refer section titled “**Financial Information of the Company**” on page 169 of this Draft Red Herring Prospectus.

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

#### **(i) Basic & Diluted Earnings per share (EPS) (Face value of ₹10 each):**

As per the Restated Financial Statements: -

Sr. No	F.Y./Period	Basic & Diluted (₹)	Weights
1	Financial Year ending March 31, 2024	3.82	3
2	Financial Year ending March 31, 2023	1.85	2
3	Financial Year ending March 31, 2022	0.77	1
	<b>Weighted Average</b>	<b>2.66</b>	<b>6</b>
	For Period ended September 30, 2024	4.26	

#### **Notes:**

- i. The figures disclosed above are based on the Restated Financial Statements of the Company.
- ii. The face value of each Equity Share is ₹10.00.
- iii. Earnings per Share has been calculated in accordance with Accounting Standard 20 – “Earnings per Share” issued by the Institute of Chartered Accountants of India.
- iv. The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure IV.
- v. Basic Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders / Weighted average number of equity shares outstanding during the year/ period
- vi. Diluted Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders / Weighted average number of diluted potential equity shares outstanding during the year/ period.



**(ii) Price Earning (P/E) Ratio in relation to the Price Band of ₹[●] to ₹[●] per Equity Share of Face Value of ₹10/- each fully paid up:**

Particulars	(P/E) Ratio at the Floor Price (₹ [●])	(P/E) Ratio at the Cap Price (₹ [●])
P/E ratio based on the Basic & Diluted EPS, as restated for period ending March 31, 2024	[●]	[●]
P/E ratio based on the Weighted Average EPS, as restated.	[●]	[●]

Industry P/E Ratio*	(P/E) Ratio
<b>Highest</b> (Tunwal E-Motors Limited)	10.25
<b>Lowest</b> (Delta AutoCorp Limited)	9.60
<b>Industry Average</b>	<b>9.93</b>

\* For the purpose of industry, we have considered those companies which are engaged in the similar line of business segment as of our Company, however, they may not be exactly comparable in terms of product portfolio or the size of our Company. The peers have been included for the purpose of broad comparison.

**Note:**

- The P/E ratio of our Company has been computed by dividing Offer Price with EPS.
- P/E Ratio of the peer company is based on the Audited Results for the F.Y. 2023-24 and stock exchange data dated March 28, 2025.

**(iii) Return on Net worth (RoNW)**

Sr. No	Period	RONW (%)	Weights
1	Period ending March 31, 2024	59.15%	3
2	Period ending March 31, 2023	70.13%	2
3	Period ending March 31, 2022	97.69%	1
	<b>Weighted Average</b>	<b>69.23%</b>	<b>6</b>
	For Period ended September 30, 2024	<b>39.78%</b>	

**Note:**

- The figures disclosed above are based on the Restated Financial Statements of the Company.
- The RoNW has been computed by dividing restated net profit after tax (excluding exceptional items) with restated Net worth as at the end of the year/period
- Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights.

**(iv) Net Asset Value (NAV) per Equity Share:**

Sr. No.	NAV per Equity Share	(Amount in ₹)
1.	As at March 31, 2022	0.79
2.	As at March 31, 2023	2.64
3.	As at March 31, 2024	6.45
4.	As at September 30, 2024	10.71
5.	NAV per Equity Share after the Offer	
	a) at Floor Price	[●]
	b) at Cap Price	[●]
6.	Offer Price	[●]

\*The above NAV has been calculated based on weighted number of shares outstanding at the end of the respective year.

**Notes:**

- i. The figures disclosed above are based on the Restated Financial Statements of the Company.
- ii. NAV per share=Restated Net worth at the end of the year/period divided by weighted average number of equity shares outstanding at the end of the year/period
- iii. Net worth is computed as the sum of the aggregate of paid-up equity share capital, all reserves created out of the profits, securities premium account received in respect of equity shares and debit or credit balance of profit and loss account.
- iv. Offer Price per Equity Share will be determined by our Company in consultation with the Book Running Lead Manager.

**(v) Comparison of Accounting Ratios with Industry Peers**

Name of Company	Current Market Price (₹)	Face Value	EPS	PE	RoNW (%)	Book Value (₹)	Total Income (₹ In lakhs)
			Basic/Diluted				
Zelio E-Mobility Limited	[●]	10	3.82	[●]	59.15%	6.45	9,489.83
<b>Peer Group</b>							
Delta AutoCorp Limited	69.20	10	7.21	9.60	13.51%	40.20	8,081.29
Tunwal E-Motors Limited	29.20	2	2.85	10.25	57.53%	4.95	10,553.69

**Notes:**

- (i) Source – All the financial information for listed industry peers mentioned above is sourced from the Annual Reports of the aforesaid companies for the year ended March 31, 2024 and stock exchange data dated March 28, 2025 to compute the corresponding financial ratios. For our Company, we have taken Current Market Price as the Offer price of equity share. Further, P/E Ratio is based on the current market price of the respective scrips.
- (ii) The EPS, NAV, RoNW and total Income of our Company are taken as per Restated Financial Statement for the Financial Year 2023-24.
- (iii) NAV per share is computed as the closing net worth divided by the weighted average number of paid up equity shares as on March 31, 2024.
- (iv) RoNW has been computed as net profit after tax divided by closing net worth.
- (v) Net worth has been computed in the manner as specifies in Regulation 2(1) (hh) of SEBI (ICDR) Regulations, 2018.
- (vi) The face value of Equity Shares of our Company is ₹10/- per Equity Share and the Offer price is [●] times the face value of equity share.

**(vi) Key Performance Indicators**

The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help us in analyzing the growth of our company.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated February 17, 2025 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years' period prior to the date of filing of this Draft Red Herring Prospectus. Further, the KPIs herein have been certified by M/s S P Chopra & Co., Chartered Accountants, by their certificate dated February 17, 2025.

The KPIs of our Company have been disclosed in the sections titled **“Our Business”** and **“Management’s Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators”** on pages 111 and 223, respectively. We have described and defined the KPIs as applicable in **“Definitions and Abbreviations”** on page 1 of this Red Herring Prospectus.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilization of the proceeds of the Fresh Issue as per the disclosure made in the Objects of the Offer, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations. Further, the ongoing KPIs will continue to be certified by a member of an expert body as required under the SEBI ICDR Regulations.

## Key Performance Indicators of our Company

(₹ in Lakhs except percentages and ratios)

Key Financial Performance	As at the Period/Year ended			
	September 30, 2024*	FY 2023-24	FY 2022-23	FY 2021-22
Revenue from operations <sup>(1)</sup>	7,527.98	9,442.50	5,125.07	1,289.32
EBITDA <sup>(2)</sup>	928.58	875.53	401.91	154.25
EBITDA Margin <sup>(3)</sup>	12.34%	9.27%	7.84%	11.96%
PAT <sup>(4)</sup>	704.60	630.88	305.53	127.14
PAT Margin <sup>(5)</sup>	9.36%	6.68%	5.96%	9.86%
RoE (%) <sup>(6)</sup>	49.66%	83.99%	108.00%	195.39%
RoCE (%) <sup>(7)</sup>	23.63%	34.84%	29.61%	32.56%
Net Worth <sup>(8)</sup>	1,771.15	1,066.55	435.67	130.14

\*Not Annualized

**Notes:**<sup>(1)</sup> Revenue from operation means Revenue from Operations as appearing in the Restated Financial Statements<sup>(2)</sup> EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income<sup>(3)</sup> 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations<sup>(4)</sup> PAT is calculated as Profit before tax – Tax Expenses<sup>(5)</sup> 'PAT Margin' is calculated as PAT for the period/ year divided by revenue from operations.<sup>(6)</sup> Return on Equity is ratio of Profit after Tax and Average Shareholder Equity<sup>(7)</sup> Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus total borrowings {current & non-current}.<sup>(8)</sup> Net Worth = Equity Share Capital + Reserve and Surplus (including surplus in the Statement of Profit & Loss) - Preliminary Expenses to the extent not written-off**Explanation for KPI metrics:**

KPI	Explanations
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business
EBITDA	EBITDA provides information regarding the operational efficiency of the business
EBITDA Margin (%)	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business
PAT	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin (%)	PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.
RoE(%)	RoE provides how efficiently our Company generates profits from shareholders' funds.
RoCE (%)	RoCE provides how efficiently our Company generates earnings from the capital employed in the business.
Net Worth	Net Worth is used by management to ascertain the total value created by the entity and provides a snapshot of current financial position of the entity.

(vii) Set forth below are the details of comparison of key performance of indicators with our listed industry peer:

(₹ in Lakhs except percentages and ratios)

Key Financial Performance	Zelio E-Mobility Limited			Delta AutoCorp Limited			Tunwal E-Motors Limited		
	FY 2023-24	FY 2022-23	FY 2021-22	FY 2023-24	FY 2022-23	FY 2021-22	FY 2023-24	FY 2022-23	FY 2021-22
Revenue from operations <sup>(1)</sup>	9,442.50	5,125.07	1,289.32	8,081.29	8,001.98	5,713.39	10,460.07	7,650.18	754.59
EBITDA <sup>(2)</sup>	875.53	401.90	154.25	1105.72	739.03	587.79	1,783.16	662.53	159.68
EBITDA Margin (%) <sup>(3)</sup>	9.27%	7.84%	11.96%	13.68%	9.24%	10.29%	17.05%	8.66%	21.16%
PAT <sup>(4)</sup>	630.88	305.53	127.14	822	513.41	420.34	1,181.17	346.25	27.18
PAT Margin (%) <sup>(5)</sup>	6.68%	5.96%	9.86%	10.17%	6.42%	7.36%	11.29%	4.53%	3.60%
RoE (%) <sup>(6)</sup>	83.99%	108.00%	195.39%	56.09%	56.10%	61.02%	81.83%	53.41%	10.34%
RoCE (%) <sup>(7)</sup>	34.84%	29.61%	32.56%	47.89%	49.48%	43.08%	43.48%	21.60%	6.48%

**Notes:**

<sup>(1)</sup> Revenue from operation means revenue from sales, service and other operating revenues

<sup>(2)</sup> EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income

<sup>(3)</sup> 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

<sup>(4)</sup> PAT is calculated as Profit before tax – Tax Expenses

<sup>(5)</sup> 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.

<sup>(6)</sup> Return on Equity is ratio of Profit after Tax and Average Shareholder Equity

<sup>(7)</sup> Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus total borrowings {current & non-current}.

**(viii) Weighted average cost of acquisition**

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

There has been no issuance of Equity Shares other than Equity Shares issued pursuant to a bonus issue on February 12, 2025 during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-offer capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days.

**b) The price per share of our Company based on the secondary sale/ acquisition of shares (equity shares)**

There have been no secondary sale/ acquisitions of Equity Shares, where the promoters, members of the promoter group or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts of shares), during the 18 months preceding the date of this certificate, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-offer capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

**c) Price per share based on the last five Primary Issuances or Secondary Transactions**

Since there are no such transactions to report to under (a) and (b) therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoter/ Promoter Group entities or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction), not older than 3 years prior to the date of this certificate irrespective of the size of transactions, is as below:

**Primary Transaction:**

Except as disclosed below, there have been no primary transactions in the 3 years preceding the date of this Draft Red Herring Prospectus:

Date of Allotment	No. of Equity Shares allotted	Face Value (₹)	Issue Price (including Premium if applicable (₹))	Nature of Consideration	Nature of Allotment	Total Consideration (Amount in Rs. Lakhs)
February 12, 2025	1,65,00,000	10	-	Other than Cash	Bonus Issue in the ratio of 550:1	Nil

**Secondary Transaction:**

Except as disclosed below, there have been no secondary transactions by the promoters, members of the promoter group or shareholder(s) having the right to nominate director(s) in the board of our company are a party to the transaction, in the last 3 years preceding the date of this Draft Red Herring Prospectus:

Date of Transfer	Name of Transferor	Name of Transferee	No. of Equity Share	Price per Equity Share	Nature of Transaction	Total Consideration (in ₹)
September 26, 2024	Arun Lata	Niraj Arya	1	10	By way of Transfer of shares	10
September 26, 2024	Priyanka Arya	Deepak Arya	1	10	By way of Transfer of shares	10
September 26, 2024	Saroj Arya	Kunal Arya	1	10	By way of Transfer of shares	10
September 26, 2024	Anchal Aggarwal	Kunal Arya	1	10	By way of Transfer of shares	10

**Weighted Average Cost of Acquisition, Floor Price and Cap Price**

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares of face value of Rs. 10/-)	Offer price* (i.e. ₹ [●])	Offer price* (i.e. ₹ [●])
Weighted average cost of acquisition of primary / new Offer as per paragraph 8(a) above.	NA <sup>^</sup>	NA <sup>^^</sup>	NA <sup>^^</sup>
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph 8(b) above.	NA <sup>^^</sup>	NA <sup>^^</sup>	NA <sup>^^</sup>
Weighted average cost of acquisition of primary issuances/ secondary transactions as per paragraph 8(c) above	NIL	NIL	NIL

**Note:**

<sup>^</sup>There were no primary/ new issue of shares (equity/ convertible securities) as mentioned in paragraph 8(a) above, in last 18 months from the date of this Draft Red Herring Prospectus.

<sup>^^</sup>There were no secondary transactions as mentioned in paragraph 8(b) above, in last 18 months from the date of this Draft Red Herring Prospectus.

\* To be updated at Prospectus stage.

This is a Book Built Offer and the price band for the same shall be published 2 working days before opening of the Offer in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Hisar edition of Regional newspaper [●] where the registered office of the company is situated each with wide circulation.

The Price Band/ Floor Price/ Offer Price shall be determined by our Company in consultation with the BRLM and will be justified by us in consultation with the BRLM on the basis of the above information. Investors should read the above-mentioned information along with “**Our Business**”, “**Risk Factors**” and “**Restated Financial Statements**” on pages 111, 29 and 169 respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in “**Risk Factors**” or any other factors that may arise in the future and you may lose all or part of your investments.

**STATEMENT OF SPECIAL TAX BENEFITS**

To,  
The Board of Directors,  
**Zelio E-Mobility Limited**  
(formerly known as *Zelio Auto Private Limited*)  
Khewat No 510, 442, Hisar Road, Ladwa,  
Hisar-125006, Haryana, India

**Dear Sirs/ Madam,**

**Sub: Statement of Tax Benefits ('The Statement') available to Zelio E-Mobility Limited ("The Company") and its shareholders prepared in accordance with the requirement in Schedule VIII- Clause (VII) (L) of Securities and Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations 2018, as amended ("The Regulation")**

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

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

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

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

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

**Limitations:**

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

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

This statement has been prepared solely in connection with the Proposed Offer by the Company under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

Yours faithfully,

**For, M/s. S.P. Chopra & Co.**  
**Chartered Accountants**  
**FRN: 000346N**

Sd/-

**Pawan K. Gupta**  
**Partner**  
**M. No. 092529**  
**Place: Hisar**  
**Date: February 17, 2025**  
**UDIN: 25092529BMNZKH1596**

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

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

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

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

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

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

### **NOTES:**

1. The above Annexure of special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.
2. The above Annexure covers only the special tax benefits under the Act, read with the relevant rules, circulars and notifications and does not cover any benefit under any other law in force in India. This Annexure also does not discuss any tax consequences, in the country outside India, of an investment in the shares of an Indian company.
3. The above Annexure of special tax benefits is as per the current direct tax laws relevant for the assessment year 2025-26. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws.
4. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant Double Taxation Avoidance Agreement, if any, entered into between India and the country in which the non-resident has fiscal domicile.
5. A new Section 115BAB has been inserted by the Taxation Laws (Amendment) Act, 2019 ('the Amendment Act, 2019') with effect from Financial Year 2019-20 granting an option to new manufacturing domestic companies to compute corporate tax at a reduced rate of 17.16% (15% plus surcharge of 10% and cess of 4%), provided such companies do not avail specified exemptions/incentives. The option under section 115BAB of the Act once exercised will continue till the conditions specified under section 115BAB(2) are being fulfilled and as of date the conditions are being fulfilled. The Amendment Act, 2019 further provides that domestic companies availing such option will not be required to pay Minimum Alternate Tax ('MAT') under Section 115JB. The CBDT has further issued Circular 29/2019 dated October 02, 2019 clarifying that since the MAT provisions under Section 115JB itself would not apply where a domestic company exercises option of lower tax rate under Section 115BAB, MAT credit would not be available.

In such a case, the Company is not allowed to claim any of the following deductions/ exemptions under the Act: -

- ✓ Deduction under the provisions of Section 10AA.
- ✓ Deduction under clause (iia) of sub-section (1) of Section 32 (additional depreciation).
- ✓ Deduction under section 32AD or Section 33AB or Section 33ABA
- ✓ Deduction under section 35AD or Section 35CCC
- ✓ Deduction under section 80G

Lower corporate tax rate under Section 115BAB of the Act and Minimum Alternate Tax ('MAT') credit under section 115JAA of the Act which are in general available and hence may not be treated as special tax benefits.

Accordingly, the Company has evaluated and decided to exercise the option permitted under Section 115BAB of the Act for the purpose of computing its income-tax liability for the Financial Year 2021-22 and onwards.



6. This Annexure is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his or her tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
7. For the purpose of reporting here, we have not considered the general tax benefits available to the company or shareholders.
8. The above statement covers only certain relevant direct tax law benefits and indirect tax law benefits or benefit.
9. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. The views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement

## **SECTION V – ABOUT THE COMPANY**

### **INDUSTRY OVERVIEW**

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

*Investors should note that this is only a summary of the industry in which we operate and does not contain all information that should be considered before investing in the Equity Shares. Before deciding to invest in the Equity Shares, prospective investors should read this Draft Red Herring Prospectus, including the information in “**Our Business**” and “**Financial Information**” beginning on page 111 and 169 respectively of this Draft Red Herring Prospectus. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, see “**Risk Factors**” beginning on page 29 of this Draft Red Herring Prospectus.*

### **GLOBAL ECONOMIC OUTLOOK**

Global growth is expected to hold steady at 2.7 percent in 2025-26. However, the global economy appears to be settling at a low growth rate that will be insufficient to foster sustained economic development—with the possibility of further headwinds from heightened policy uncertainty and adverse trade policy shifts, geopolitical tensions, persistent inflation, and climate-related natural disasters. Against this backdrop, emerging market and developing economies (EMDEs)—which fuel 60 percent of global growth—are set to enter the second quarter of the twenty-first century with per capita incomes on a trajectory that implies substantially slower catch-up toward advanced-economy living standards than they previously experienced. Without course corrections, most low-income countries are unlikely to graduate to middle-income status by the middle of the century. Policy action at both global and national levels is needed to foster a more favorable external environment, enhance macro economic stability, reduce structural constraints, address the effects of climate change, and thus accelerate long-term growth and development.

Global growth is stabilizing as inflation returns closer to targets and monetary easing supports activity in both advanced economies and emerging market and developing economies (EMDEs). This should give rise to a broad-based, moderate global expansion over 2025-26, at 2.7 percent per year, as trade and investment firm. However, growth prospects appear insufficient to offset the damage done to the global economy by several years of successive negative shocks, with particularly detrimental outcomes in the most vulnerable countries.

From a longer-term perspective, catch-up toward advanced economy income levels has steadily weakened across EMDEs over the first quarter of the twenty-first century. Heightened policy uncertainty and adverse trade policy shifts represent key downside risks to the outlook. Other risks include escalating conflicts and geopolitical tensions, higher inflation, more extreme weather events related to climate change, and weaker growth in major economies. On the upside, faster progress on disinflation and stronger demand in key economies could result in greater-than-expected global activity.

The subdued growth outlook and multiple headwinds underscore the need for decisive policy action. Global policy efforts are required to safeguard trade, address debt vulnerabilities, and combat climate change. National policy makers need to resolutely pursue price stability, as well as boost tax revenues and rationalize expenditures in order to achieve fiscal sustainability and finance needed investments. Moreover, to raise longer term growth and put development goals on track, interventions that mitigate the impact of conflicts, lift human capital, bolster labor force inclusion, and confront food insecurity will be critical.

Against a backdrop of heightened trade restrictive measures and subdued global growth, EMDE regions face varying growth prospects this year. Growth is projected to moderate in East Asia and Pacific, amid weak domestic demand in China, as well as in Europe and Central Asia due to decelerations in some large economies following strong growth last year. In contrast, a pickup is anticipated in Latin America and the Caribbean, the Middle East and North Africa, South Asia, and Sub Saharan Africa, partly underpinned by robust domestic demand. In 2026, growth is expected to strengthen in most regions.

### Global outlook

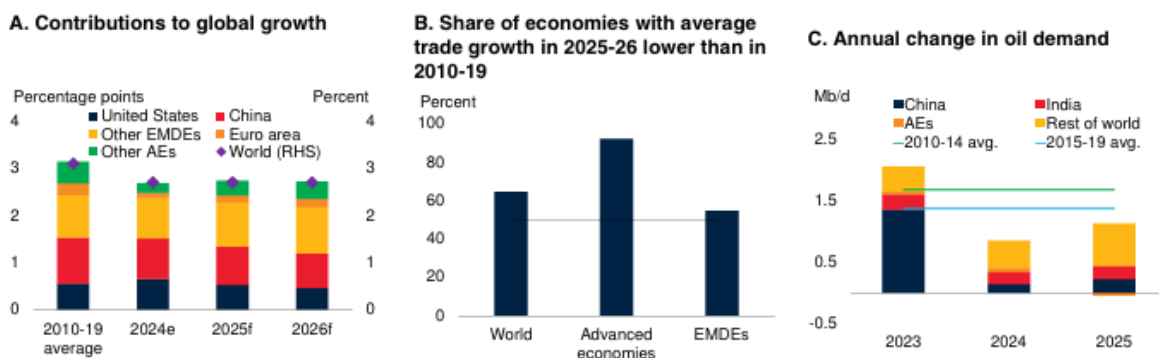
Global growth is stabilizing as inflation returns closer to targets and monetary easing supports activity in both advanced economies and emerging market and developing economies (EMDEs). This should give rise to a broad-based, moderate global expansion over 2025-26, at 2.7 percent per year, as trade and investment firm. However, growth prospects appear insufficient to offset the damage done to the global economy by several years of successive negative shocks, with particularly detrimental outcomes in the most vulnerable countries. From a longer-term perspective, catch-up toward advanced economy income levels has steadily weakened across EMDEs over the first quarter of the twenty-first century. Heightened policy uncertainty and adverse trade policy shifts represent key downside risks to the outlook. Other risks include escalating conflicts and geopolitical tensions, higher inflation, more extreme weather events related to climate change, and weaker growth in major economies. On the upside, faster progress on disinflation and stronger demand in key economies could result in greater-than-expected global activity. The subdued growth outlook and multiple headwinds underscore the need for decisive policy action. Global policy efforts are required to safeguard trade, address debt vulnerabilities, and combat climate change. National policy makers need to resolutely pursue price stability as well as boost tax revenues and rationalize expenditures in order to achieve fiscal sustainability and finance needed investments. Moreover, to raise longer-term growth and put development goals on track, interventions that mitigate the impact of conflicts, lift human capital, bolster labor force inclusion, and confront food insecurity will be critical.

### Global prospects

Global growth is set to stabilize below its pre-pandemic pace, with a slowdown in China and the United States offset by firming growth elsewhere. Trade growth is poised to be lower than its 2010-19 average in nearly two-thirds of economies. Moderating oil prices partly reflect decelerating global oil consumption. The share of economies with above target inflation in 2025 is set to decline to its lowest level since the peak in 2022. Monetary policy rates are generally expected to ease further over the forecast horizon, supporting growth, although advanced economy rates are set to remain well above the low levels of the 2010s. Risks to the global outlook remain tilted to the downside. Surging trade-distorting measures—to which EMDEs have been heavily exposed—could dampen global activity.

The global economic context has become modestly more favorable since last June, following several years characterized by overlapping negative shocks. Inflation appears to be moderating without a substantial slowdown in key economies, and monetary policy easing has now become widespread. In the next couple of years, deceleration in the two main engines of the global economy—the United States and China—is expected to be offset by firming growth elsewhere, including in many emerging market and developing economies (Figure A). In all, the post-pandemic global economic expansion is forecast to remain on a steady path. However, the global economy appears to be settling at a relatively low level of growth—one insufficient to foster sustained economic development and catch up in per capita incomes—with the possibility of further headwinds from heightened policy uncertainty, growing trade fragmentation, slower than-anticipated progress in reducing inflation, and weaker activity in major economies.

Global trade growth rebounded last year, despite weak manufacturing activity in some key Note: This chapter was prepared by Carlos Arteta, Phil Kenworthy, Nikita Perevalov, Peter Selcuk, Garima Vasishtha, and Collette Wheeler, with contributions from Mirco Balatti, Jongrim Ha, Samuel Hill, Dawit Mekonnen, Alen Mulabdic, Edoardo Palombo, Dominik Peschel, Shijie Shi, Naotaka Sugawara, Takuma Tanaka, and Bart Wilbrink. advanced economies. The recovery was driven by goods trade, which firmed in the third quarter of last year, partly owing to inventory buildups. Meanwhile, services trade growth continued to moderate. In 2025-26, trade growth is set to pick up further but will still remain below its 2010-19 average pace in nearly two-thirds of economies (Figure B). Recourse to trade restrictions remains prevalent—with the number of new measures implemented in 2024 five times higher than the 2010-19 average.



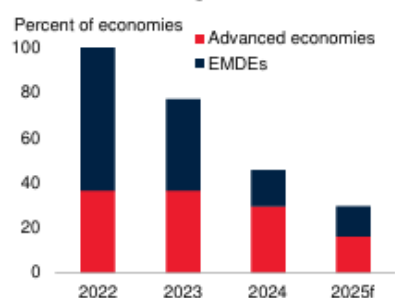
Aggregate commodity prices softened by about 3 percent in 2024, primarily reflecting improving supply conditions for energy and food commodities, despite heightened geopolitical tensions. Commodity prices are projected to ease further over the forecast horizon. A small decline in oil prices last year reflected ample potential oil supply amid decelerating global oil consumption (Figure C). A significant further decrease in oil prices is expected in 2025-26 as production expands while global oil demand growth remains modest. Base metals prices are set to stabilize over the forecast horizon, mirroring steady global growth. Meanwhile, prices for staple food crops, having fallen notably in 2024, are expected to post a small further decline.

Global headline inflation has continued to gradually ease, in part reflecting falling commodity prices and the lagged effects of monetary tightening. Inflation is now close to targets in many advanced economies and EMDEs, with the share of economies with above-target inflation on a downward trend and set to reach in 2025 its lowest level since the peak in 2022 (Figure D). Core inflation briefly edged up in some EMDEs and advanced economies at about the middle of last year on persistent strength in services inflation. However, it has since generally resumed a gradual decline.

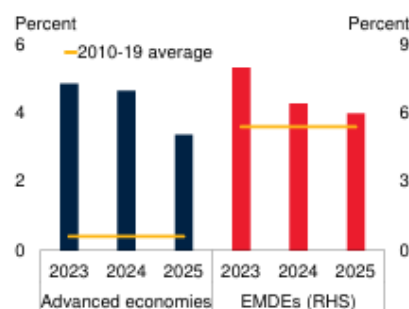
Global financial conditions have eased slightly, in aggregate, since mid-2024, mainly owing to the onset of monetary easing in the United States and generally robust risk appetite. Advanced-economy policy rates are expected to decline somewhat further this year but remain well above the unusually low levels of the 2010s (Figure E). For much of last year, improving investor sentiment translated into capital inflows and improving financial conditions in EMDEs. Following the U.S. presidential election, risk appetite in the United States strengthened further. However, a general appreciation of the U.S. dollar, rising U.S. bond yields, and various idiosyncratic domestic risks pared back the easing in EMDE financial conditions late in the year, with many EMDE currencies weakening amid debt and equity outflows. Growing debt-service burdens continue to pose considerable headwinds to economic activity in countries with elevated financial vulnerabilities, particularly in many low income countries (LICs). Among middle-income countries with weak credit ratings, sovereign spreads normalized substantially last year, although borrowing costs remain far higher than in the 2010s.

The global outlook is surrounded by substantial uncertainty, and the balance of risks remains tilted to the downside. Global growth could be weaker than projected on account of potential adverse changes in trade policies and heightened policy uncertainty. A surge in trade-distorting measures, implemented mainly by advanced economies but often disproportionately affecting EMDEs, poses a risk to global trade and economic activity (Figure F). Beyond specific trade-related policy shifts, a sustained increase in global economic policy uncertainty could dampen growth, particularly in EMDEs. Heightened geopolitical tensions and conflict escalations relating to Russia’s invasion of Ukraine, events in the Middle East, and instability elsewhere could disrupt global trade and commodity markets, hurting growth. In affected EMDEs, intense conflicts could set back a wide range of development goals and result in large and long-term output losses.

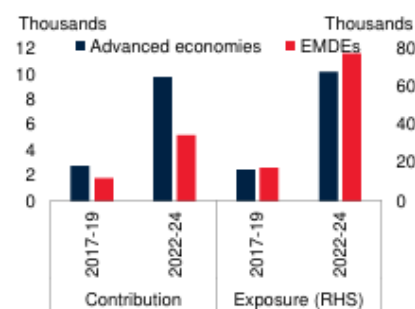
**D. Share of economies with headline inflation above target**



**E. Policy rates in advanced economies and EMDEs**



**F. New trade-distorting policy measures**



Source: <https://openknowledge.worldbank.org/server/api/core/bitstreams/f983c12d-d43c-4e41-997e-252ec6b87dbd/content>

## INDIAN ECONOMY OUTLOOK

### Introduction

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 for Q2 FY25 is estimated at Rs. 76.60 lakh crore (US\$ 886.16 billion) with growth rate of 8.0%, compared to Rs. 70.90 lakh crore (US\$ 820.22 billion) for Q2 FY24. 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-December 2024, India’s exports stood at Rs. 27.56 lakh crore (US\$ 318.96 billion), with Engineering Goods (27.32%), Petroleum Products (14.59%) and Electronic Goods (8.19%) 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.

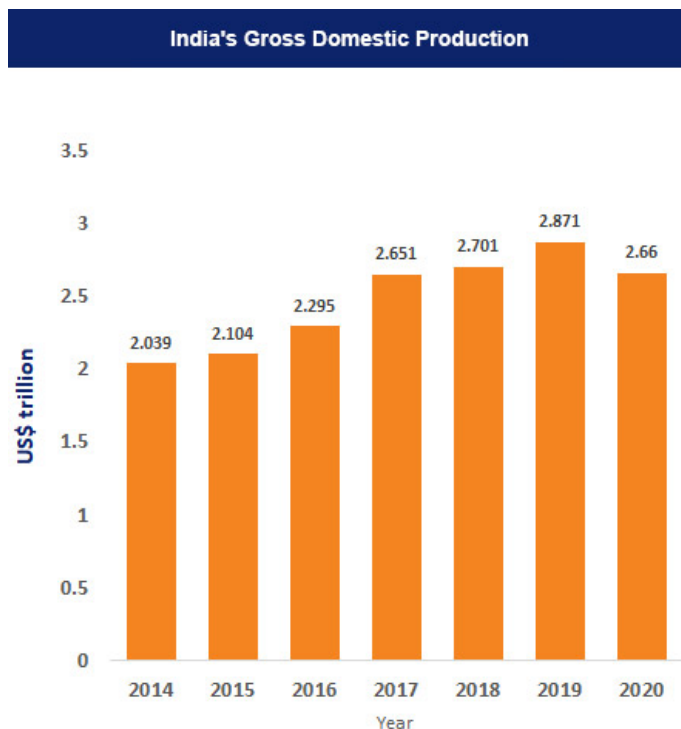
India's appeal as a destination for investments has grown stronger and more sustainable because of the current period of global unpredictability and volatility, and the record amounts of money raised by India-focused funds in 2022 are evidence of investor faith in the "Invest in India" narrative.

**Market Size**

Real GDP for Q2 of FY25 is estimated at Rs. 44.10 lakh crores (US\$ 509.36 billion) with growth rate of 5.4%, compared to Rs. 41.86 lakh crore (US\$ 484.27 billion) for Q2 of 2023-24. 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 Rs. 96,790 crore (US\$ 11.2 billion) for Q2 of FY25 from Rs. 97,655 crore (US\$ 11.3 billion) in Q2 of FY24 or 1.3% 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 prioritise 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.
- According to a report by the State Bank of India (SBI), domestic investment announcements in India have experienced a substantial increase, exceeding Rs. 37 lakh crore (US\$ 428.04 billion) in FY23 and FY24.
- According to data from the Directorate General of Civil Aviation (DGCA), India's domestic air passenger traffic increased by 6.12% in 2024, reaching a total of 161.3 million passengers. This growth follows a substantial YoY increase of 23.36% in 2023, attributed to the ongoing recovery from the pandemic.
- As of January 10, 2025, India's foreign exchange reserves stood at Rs. 53,80,402 crore (US\$ 625.871 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.
- The gross GST (Goods and Services Tax) revenue collection stood at Rs. 1.77 lakh crore (US\$ 20.45 billion) in December 2024.
- Between April 2000–September 2024, cumulative FDI equity inflows to India stood at Rs. 89.30 lakh crore (US\$ 1,033.40 billion).
- In November 2024, the overall IIP (Index of Industrial Production) stood at 148.4. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 133.8, 147.4 and 184.1, respectively.
- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) – Combined inflation was 5.22% in December 2024 against 5.69% in December 2023.
- 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:

- According to a report by Wood Mackenzie in January 2025, India, the United States, and West Asia are expected to collectively add 100 Gigawatts (GW) of solar capacity by 2025, while China is anticipated to continue its leadership in the solar industry.
- 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.

## Road Ahead

In the second quarter of FY24, the growth momentum of the first quarter was sustained, and High-Frequency Indicators (HFIs) performed well in July and August of 2023. India's comparatively strong position in the external sector reflects the country's positive outlook for economic growth and rising employment rates. India ranked 5th in foreign direct investment inflows among the developed and developing nations listed for the first quarter of 2022.

India's economic story during the first half of FY24 highlighted the unwavering support the government gave to its capital expenditure, which, in FY24, stood 37.4% higher than the same period last year. In the Union Budget of 2024-25, capital expenditure took lead by steeply increasing the capital expenditure outlay by 17.1 % to Rs. 11 lakh crore (US\$ 133.51 billion) over Rs. 9.48 lakh crore (US\$ 113.91 billion) in 2023-24. Stronger revenue generation because of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels.

India's is experiencing resilient growth despite the global pandemic. India's exports climbed at the second-highest rate with a year-over-year (YoY) growth of 8.39% in merchandise exports and a 29.82% growth in service exports till April 2023.

With a reduction in port congestion, supply networks are being restored. The CPI-C inflation reduction from June 2022 already reflects the impact. In September 2023 (Provisional), CPI-C inflation was 5.02%, down from 7.01% in June 2022. With a proactive set of administrative actions by the government, flexible monetary policy, and a softening of global commodity prices and supply-chain bottlenecks, inflationary pressures in India look to be on the decline overall.

*Source:* <https://www.ibef.org/economy/indian-economy-overview>

## **ELECTRIC VEHICLE INDUSTRY IN INDIA**

### **Introduction**

India's Electric Vehicle (EV) sector is experiencing rapid growth, fuelled by government incentives, rising environmental concerns, and technological advancements. With initiatives like the Faster Adoption and Manufacturing of Hybrid and Electric Vehicles (FAME) scheme, India aims to significantly increase EV adoption, revolutionizing its transportation landscape towards sustainability and innovation.

India has established an objective to elevate the proportion of Electric Vehicle (EV) sales to 30% in private cars, 70% in commercial vehicles, 40% in buses, and 80% in two-wheelers and three-wheelers by the year 2030. This equates to an ambitious objective of 80 million EVs on Indian roads by 2030. Additionally, India strives for complete domestic EV production through the 'Make in India' initiative.

In 2023, the global electric vehicle market was valued at US\$ 255.54 billion. It is forecasted to reach approximately US\$ 2,108.80 billion by 2033, growing at a significant CAGR of 23.42% from 2024 to 2033.

In May 2024, electric vehicle sales in India surged by 20.88% to 1.39 million units.

In 2023, electric vehicle sales in India saw a significant increase of 49.25%, reaching 1.52 million units. Although the sector is still in its early stages, it is steadily gaining traction. According to Fortune Business Insights, the Indian EV market is forecasted to expand from US\$ 3.21 billion in 2022 to US\$ 113.99 billion by 2029, with a 66.52% CAGR.

The shift towards electric vehicles on a global scale will create fresh opportunities for automotive suppliers. The Indian EV battery market is projected to surge from US\$ 16.77 billion in 2023 to a remarkable US\$ 27.70 billion by 2028.

On the infrastructure side, as of February 2024, there are 12,146 operational public EV charging stations nationwide, Maharashtra has the highest number of EV charging stations, followed by Delhi and other states. A recent Confederation of Indian Industry (CII) report emphasized the necessity of establishing at least 1.32 million charging stations in India by 2030 to facilitate the rapid growth of electric vehicles, requiring over 4,00,000 installations annually.

Major industry players are striving to improve electric vehicle charging infrastructure, Hyundai Motor India is enhancing accessibility to electric vehicles nationwide, expanding its ultra-fast EV charging network with 11 new stations strategically located in cities including Mumbai, Pune, Ahmedabad, Hyderabad, Gurugram, and Bangalore, as well as along major highways.

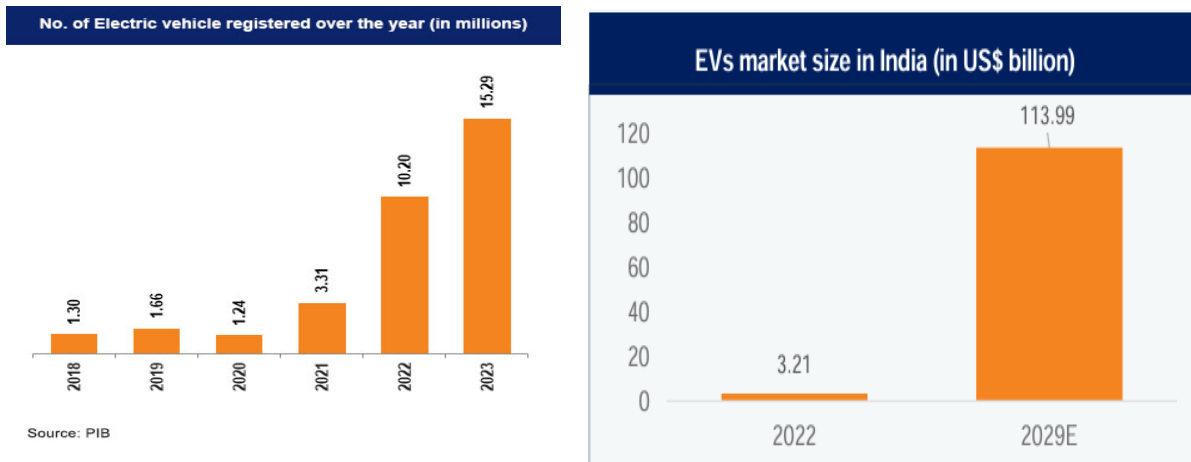
Maharashtra targets 10% share of EVs in all new vehicle registrations by Dec 2025. Karnataka has set a goal to electrify 100% of three and four-wheeler cargo vehicles by December 2030.

### Market Size

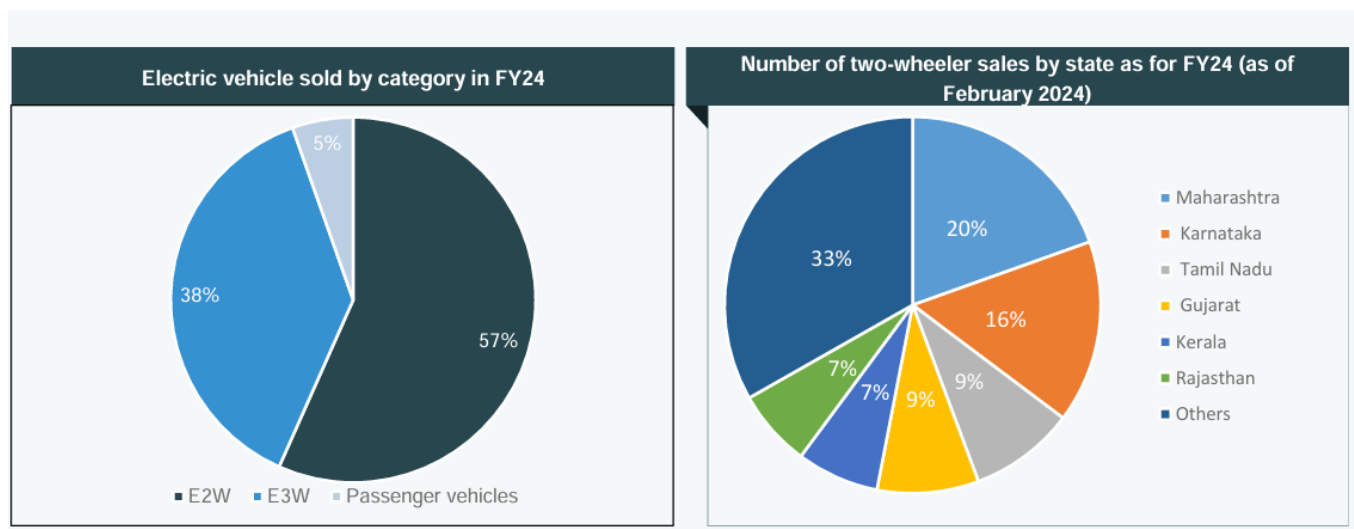
A recent survey reveals strong interest among Indian consumers in New Energy Vehicles (NEVs), with 83% of respondents indicating their readiness to choose NEVs exclusively for future purchases by the end of this decade.

On a state-wide level, Goa leads the country in EV penetration, with 14.20% of all new vehicles sold this year being electric, followed by Tripura and Chandigarh. Delhi also stands out with a 10.72% penetration, reflecting the capital's push towards sustainable urban mobility.

India's electric vehicle market is anticipated to expand at a CAGR of 28.52% to attain US\$ 18.319 billion by 2029 from US\$ 5.22 billion in 2024.







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According to NITI Aayog and Rocky Mountain Institute (RMI), India's EV finance industry is likely to reach Rs. 3.7 lakh crore (US\$ 50 billion) in 2030.

### Investment

- In 2024, notable EV investment commitments include Tata Motors-JLR Rs. 9,000 crore (US\$ 1.07 billion), VinFast up to Rs. 16,500 crore (US\$ 2 billion), Royal Enfield Rs. 3,000 crore (US\$ 358.1 million), and Stellantis Rs. 2,000 crore (US\$ 238.7 million).
- Tata Motors aims to achieve 30-40% of its sales from Electric Vehicles (EVs) by FY30 and plans to invest approximately Rs. 18,000 crore (US\$ 2.16 billion) to create an ecosystem for its electric vehicle business. Over the next two years, the company has scheduled the launch of new models.
- Ather Energy has secured Rs. 600 crore (US\$ 71 million) from the National Investment and Infrastructure Fund, increasing its valuation to US\$ 1.3 billion. This investment positions Ather as India's fourth unicorn of 2023.
- YULU has successfully raised US\$ 19.25 million (Rs. 160 crore) into its operations in February 2024. The capital was secured through additional share issuance to Yulu's current strategic backers, Magna and Bajaj Auto Ltd.
- In June 2024, BM Electric Vehicles Private Limited, a subsidiary of JBM Auto Limited, has signed an agreement with MUON India Private Limited, a Macquarie Group company. Macquarie Group has launched 'Vertelo,' an EV financing platform in India that will provide financing, fleet management, and charging infrastructure solutions.
- In April 2024, Uno Minda, an auto components manufacturer, announced on Wednesday that it has partnered with Suzhou Inovance Automotive Co. from China to produce electric vehicle components.
- In March 2024, Okaya EV, a prominent electric two-wheeler manufacturer, has launched "Ferrato," its premium electric vehicle brand, as part of its nationwide expansion strategy, they will prioritize high-end models.
- In March 2024, Ola Electric, poised for an IPO, has emerged as India's top patent publisher for 2022-23, with 205 patents in EV and related technologies, surpassing rivals.
- In March 2024, Ola Electric has announced to introduce a consumer-focused electric autorickshaw named Raahi.
- In March 2024, BYD India, a subsidiary of the world's leading New Energy Vehicles (NEV) manufacturer, announced its entry into the luxury electric sedan segment with the launch of the BYD SEAL. BYD India currently has two products in its portfolio - the BYD ATTO 3 and the All-New e6, both of which have been very well received by Indian consumers.
- In December 2023, Indian Oil Corporation (IOC) inaugurated its inaugural battery-swapping station in Kolkata for Electric Vehicles (EV). The oil marketing PSU collaborated with Sun Mobility, affirming its commitment to advancing sustainable electric mobility solutions.
- In November 2023, SAIC Motor and JSW Group announced a strategic joint venture to accelerate growth with focus on green mobility.

- In August 2023, Adani Total Energies E-Mobility Limited (ATEL) disclosed a collaboration with all-electric cab aggregator, Prakriti E-Mobility (Evera), to deploy EV charging infrastructure, starting with a 200-point super hub in Delhi.
- Fuelled by robust demand and governmental backing, Gujarat's Electric Vehicle (EV) landscape is experiencing rapid expansion. In 2023, EV sales surged by 28% compared to the prior year, totalling 88,619 vehicles, showcasing remarkable growth from 2021's 10,885 units, reflecting a 714% increase over three years.
- In August 2023, Mahindra & Mahindra anticipates that its forthcoming plant in Chakan, Maharashtra, will reach a peak production capacity of 200,000 electric vehicles annually from 2027 to 2029. They project EVs to constitute 30% of total volumes by 2030.
- According to a UK-based breakdown and recovery service provider, Electric Vehicles (EVs) exhibit a 59% lower likelihood of breakdown compared to traditional internal combustion engine (ICE) vehicles. Start Rescue's Managing Director, Lee Puffett, emphasized the remarkable reliability of EVs, spanning from new to a decade old, on the road. With over a million EVs currently in operation in the UK, this data underscores the practical advantage of choosing an EV, reducing the risk of unexpected roadside issues.
- In February 2024, the Indian Army has proposed a gradual introduction of a select number of Electric Vehicles (EVs) at 'Peace Stations' nationwide. This initiative aims to embrace technological advancements, promote green energy, and diminish reliance on fossil fuels.
- In October 2023, Mr. R. K. Singh, Union Minister for Power and New & Renewable Energy, unveiled the new EV-Ready India Dashboard ([evreadyindia.org](http://evreadyindia.org)) in New Delhi, facilitating access to pertinent information.
- Ministry of Electronics & Information Technology (MeitY), Mr. S Krishnan attended the unveiling of a domestically developed 2KW DC Portable Charger at IIT Madras Research Park in October 2023. This initiative aims to accelerate electric vehicle adoption.
- In January 2024, VinFast and Tamil Nadu Govt. signed a MoU to invest US\$ 2 billion for an EV project in Thoothukudi, with US\$ 500 million committed for the first phase, targeting 150,000 units annually.

### **Government Initiatives**

The Government has reaffirmed its commitment towards EVs and its mission for 30% electric mobility by 2030. Budget announced customs duty exemption on the import of capital goods and machinery required for the manufacture of lithium-ion batteries that typically power EVs.

FAME II for EV Scheme was Commenced on 1st April 2019 with a total budgetary support of US\$ 1.43 billion (Rs. 10,000 crore), 30% procurement of manufactured or processed products must be from SMEs. This phase primarily targets the electrification of public and shared transportation. A subsidy of Rs. 5,790 crore (US\$ 693 million) has been granted to electric vehicle manufacturers for the sale of 1,341,459 electric vehicles under phase II of the FAME India Scheme. It aims to provide demand incentives for 7,090 e-buses, 5 lakh e-3 Wheelers, 55,000 e-4 Wheeler Passenger Cars, and 10 lakh e-2 Wheelers. Additionally, the scheme supports the development of charging infrastructure. As of December 2023, electric vehicle manufacturers received a subsidy of US\$ 637 million (Rs. 5294.00 crore) for selling 11,79,669 electric vehicles under Phase-II of the FAME India Scheme.

The government has outlined a scheme to transition 800,000 diesel buses to environmentally friendly alternatives, possibly supplanting FAME III.

The strategy involves substituting 800,000 diesel buses, comprising over a third of all vehicles on roads, with electric ones within seven years. This endeavour seeks to diminish vehicular emissions and stimulate investments in the national Electric Vehicle (EV) infrastructure.

Electric Mobility Promotion scheme with a US\$ 60.18 million (Rs. 500 crore) budget will be operational from April 1 to July 31, 2024, aiming for effective implementation within this period, to enhance green mobility and stimulate electric vehicle manufacturing in the country, further measures will be taken to promote this sector. It will be applicable on electric two-wheeler (e-2W) and three-wheeler (e-3W). The Scheme supports 3,72,215 EVs, comprising 3,33,387 e-2Ws, and 38,828 e-3Ws (including 13,590 rickshaws & e-carts and 25,238 e-3Ws in L5 category), offering incentives exclusively for advanced battery-equipped vehicles.

**Source:** <https://www.ibef.org/industry/electric-vehicle>

## OUR BUSINESS

Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section “Forward-Looking Statements” for a discussion of the risks and uncertainties related to those statements and also the section “Risk Factors” for a discussion of certain factors that may affect our business, financial condition, or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the Twelve-month period ended March 31 of that year. In this section, a reference to the “Company” or “we”, “us” or “our” means Zelio E-Mobility Limited (formerly known as Zelio Auto Private Limited).

All financial information included herein is based on our “Financial information of the Company” included on page 169 of this Draft Red Herring Prospectus.

### **BUSINESS OVERVIEW**

We are primarily engaged in the business of manufacturing, assembling and supplying of electric vehicles, offering a range of electric two-wheelers (“E-2Ws”) and three-wheelers (“3Ws”), available in a variety of design, color, speed variants etc. We are an ISO 45001:2018, ISO 9001:2015 and ISO 14001:2015 certified company, operating under the brand name “Zelio” for E-2Ws and “Tanga” for 3Ws and focussing exclusively on the production of E-2Ws and 3Ws which serves environmental benefits such as lower emissions, reduced noise, energy sustainability etc. We launched the first range of electric scooters in FY 2021-22 and operate through a network of exclusive and non-exclusive dealers spanning across urban, semi-urban, and rural areas.

Currently we are operating our business through corporate office and manufacturing unit situated at Khewat No 510, 442, Hisar Road, Ladwa, Hisar- 125006, Haryana, India, spreading in an area of 48 kanal 7 marle (equivalent to 24,458.01 sq. mtrs.). We have an installed capacity of producing 72000 units p.a. (electric two-wheelers/three-wheelers) and are equipped with various machines such as Conveyor Line-32 meter long, welding machines, impact wrenches, bolt tightening tools, drilling tools etc. for manufacturing, assembling and supplying of electric vehicles. We manufacture EVs by assembling various parts which we outsource from suppliers as per the designs conceptualised by the company. Our company is registered under the Bureau of Indian Standards and SAE International and also USA has confirmed World Manufacturer identifier (WMI) code for our company.

We operate our business through a wide network of dealers, and at present, our focus is primarily on B2B transactions. We are working with 280 dealers spreading across more than 20 states & union territories in India, thus, selling our products pan-India. Our E-2Ws portfolio comprises of various models inclusive of EEVA, EEVAZX, Gracy, Legender, Mystery, XMen etc. and E-3Ws comprises of vehicles namely, Tanga and Tanga e-Loader under the Brand name of “Tanga”. Set out below are details of revenue (including other operating revenue) from our E-2Ws and 3Ws for the periods indicated:

(Rs. in lakhs)

Particulars	For the period and year ended on							
	September 30, 2024		March 31, 2024		March 31, 2023		March 31, 2022	
	Amount	% of total income	Amount	% of total income	Amount	% of total income	Amount	% of total income
E-2Ws	7,352.25	97.67%	9,173.84	97.16%	4,918.90	95.98%	1,286.22	99.76%
3Ws	18.38	0.24%	-	-	-	-	-	-
Others <sup>#</sup>	157.35	2.09%	268.66	2.84%	206.16	4.02%	3.10	0.24%
<b>Total</b>	<b>7,527.98</b>	<b>100.00%</b>	<b>9,442.50</b>	<b>100.00%</b>	<b>5,125.07</b>	<b>100.00%</b>	<b>1,289.32</b>	<b>100.00%</b>

<sup>#</sup> Includes Battery, Spare Parts, Chargers, Battery wire, wiper blade, front turning light, light, tyer etc.

Our company is managed by our promoters Niraj Arya, Kunal Arya and Deepak Arya who are associated with the company since its incorporation. Niraj Arya is the Chairman and Whole Time Director of the company. He has overall experience of 18 Years in Electric Vehicle and Battery Solutions Industry and is currently involved in the general business and administration functions including Accounts & Finance, Legal operations & Compliance related functions of our Company. Kunal Arya is the Managing Director of the company and is having an experience of 5 years in the field of Electric Vehicle and Battery Solutions Industry. He is playing vital role in formulating business strategies and effective implementation of the same. He is responsible for managing the business planning & development, purchase, production, inventory & dispatch planning, sales & marketing related functions of our company. Deepak Arya is the Whole time Director of the company having experience of 12 years in the field of Electric Vehicle and Battery Solutions Industry. He is Responsible for Human Resource and customer relationship management related functions of our Company. Our Promoters and

Directors are supplemented by senior management with significant experience which has been instrumental in the growth of our company.

Our total revenue and net profit as restated in the financial statements have shown positive CAGR in last three Financial Years. Our total revenue has increased from ₹ 1,289.32 lakhs for the financial year ended March 31, 2022 to ₹ 9,442.50 lakhs for the financial year ended on March 31, 2024, at a CAGR of 170.65%. The following table sets forth certain key performance indicators for the years indicated:

*(₹ In Lakhs except percentages and ratios)*

Key Financial Performance	As of and for the period ended			
	September 30, 2024	FY 2023-24	FY 2022-23	FY 2021-22
Revenue from Operations <sup>(1)</sup>	7,527.98	9442.50	5,125.07	1289.32
EBITDA <sup>(2)</sup>	928.58	875.53	401.90	154.25
EBITDA Margin <sup>(3)</sup>	12.34%	9.27%	7.84%	11.96%
Profit After Tax (PAT) <sup>(4)</sup>	704.60	630.88	305.53	127.14
PAT Margin <sup>(5)</sup>	9.36%	6.68%	5.96%	9.86%
RoE (%) <sup>(6)</sup>	49.66%	83.99%	108.00%	195.39%
RoCE (%) <sup>(7)</sup>	23.63%	34.84%	29.61%	32.56%
Net Worth <sup>(8)</sup>	1,771.15	1,066.55	435.67	130.14

**Notes:**

<sup>(1)</sup> Revenue from operation means Revenue from Operations as appearing in the Restated Financial Statements.

<sup>(2)</sup> EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income

<sup>(3)</sup> 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

<sup>(4)</sup> PAT is calculated as Profit before tax – Tax Expenses

<sup>(5)</sup> 'PAT Margin' is calculated as PAT for the period/ year divided by revenue from operations.

<sup>(6)</sup> Return on Equity is ratio of Profit after Tax and Average Shareholder Equity

<sup>(7)</sup> Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus total borrowings {current & non-current}.

<sup>(8)</sup> Net Worth = Equity Share Capital + Reserve and Surplus (including surplus in the Statement of Profit & Loss) - Preliminary Expenses to the extent not written-off

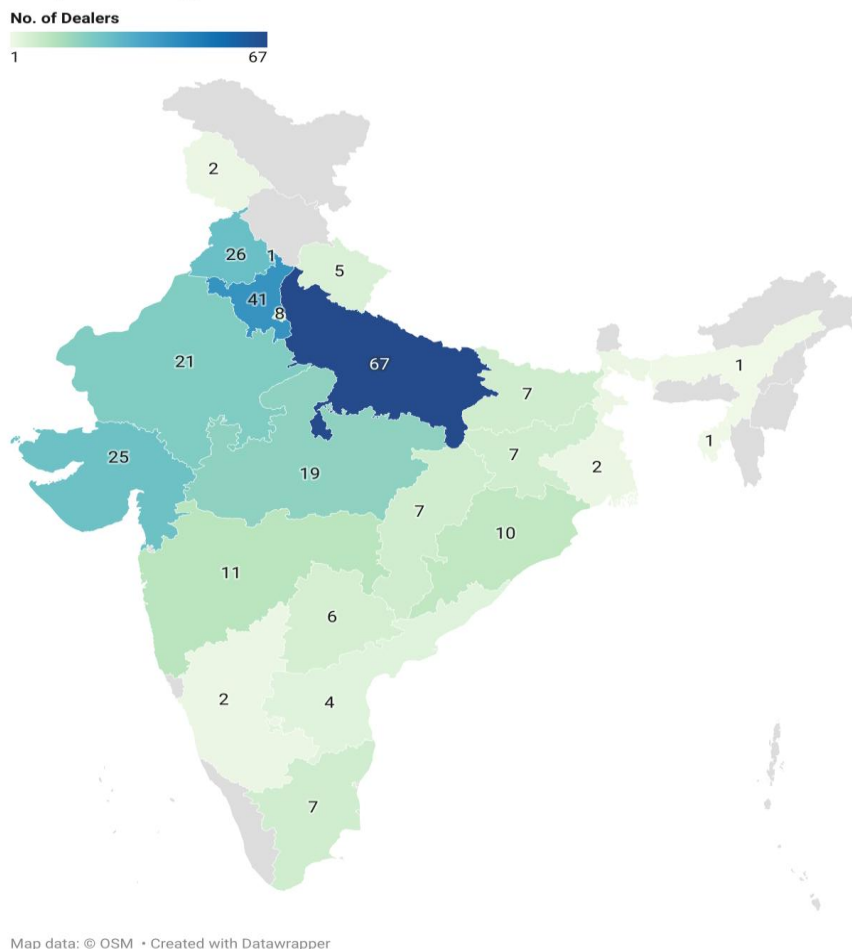
**OUR STRENGTHS**

We believe that the following are our primary strengths:

***Extensive network of dealers covering major parts of India***

We believe that the growth in our business operations has been made possible by our wide dealer network covering major parts of India. We sell our products through a network of 280 dealers consisting of exclusive and non-exclusive dealers spread across various states and union territories in India. We work with various dealers depending on their geographical reach, market knowledge, product and customer awareness as well as understanding of electric vehicle industry. Our sales & distribution network is aided by our capable in-house sales and marketing team, which liaise with the dealers on a regular basis for customer inputs, market Zelio products as well as positioning of our products vis-à-vis products of our competitors. Maintaining strong relationships with our dealers are essential to our business strategy and to the growth of our business. We continually strive to maintain strong relationships with our dealers in order to have uninterrupted supplies of our products to them and retain them for a long period of time.

### Map showing dealers located across nation



Our dealer network is geographically distributed across India. As of February 28, 2025, out of total 280 dealers, 23.93% of the dealers comprising of 67 dealers are located in the state of Uttar Pradesh, 14.64% of our dealers comprising of about 41 dealers are located in the state of Haryana and 9.29% of our dealers comprising about 26 dealers are located in the state of Punjab.

#### ***Quality Assurance ensuring standardized product quality***

We believe that quality is an ongoing process of building and sustaining long term relationships with customers and long-term brand loyalty. This philosophy has formed the foundation of the expansion and diversification of our product portfolio since our inception. We have obtained ISO 9001:2015 certification for Quality Management System, ISO 14001:2015 certification for Environment Management System and ISO 45001:2018 certification for Occupational Health and Safety Management System from QFS Management Systems LLP. These certifications assist us in providing assurance to our customers for the quality and durability of our products. We are engaged in the business of manufacturing, assembling and supply of electric vehicles namely electric 2-Ws and 3Ws and have successfully ventured and supplied quality products to our customers. We have implemented internal procedures to ensure quality control for parts and components which are sourced by us from third party suppliers to assemble and manufacture the EVs. We have a dedicated quality assurance team of 17 employees as on 28 February, 2025, which monitors the quality of such components and final products. Such focus on quality of products has enabled us to sustain and grow our business.

#### ***Revenue derived from a geographically dispersed customer base***

The company's revenue stream exhibits a multi-regional character, demonstrating a diversified business model within the Indian market. For the period ended September 30, 2024 and financial year ending 2023-24, 2022-23 and 2021-22, we have generated Rs. 6,934.39 lakhs, Rs. 8,965.17 lakhs, Rs. 5,036.65 lakhs and Rs. 1,289.32 lakhs amounting 92.11%, 94.94%, 98.28% and 100.00% of our total

revenue from sales in top 10 geographical regions for the respective periods. This geographic concentration, while substantial, highlights the company's established presence and market penetration in key regions. This multi-regional presence offers several strategic advantages. Firstly, it enhances our ability to respond effectively to shifts in consumer preferences and fluctuations in market demand. By operating across diverse regions, we gain valuable insights into regional trends and can adjust our offerings accordingly. Secondly, our multi-regional footprint facilitates client base expansion by enabling us to reach new customer segments in different regions. The following table presents the revenue from operations generation from top 10 states in India:

(Rs. In Lakhs)

Particulars	For the period and the year ended							
	September 30, 2024		March 31, 2024		March 31, 2023.		March 31, 2022	
	Amount	% to total sales	Amount	% to total sales	Amount	% to total sales	Amount	% to total sales
Haryana	2,279.03	30.27%	3,910.01	41.41%	2,826.33	55.15%	868.20	67.34%
Gujarat	888.23	11.80%	315.77	3.34%	15.22	0.30%	0.00	0.00%
Uttar Pradesh	771.81	10.25%	1,012.52	10.72%	280.49	5.47%	40.85	3.17%
West Bengal	705.06	9.37%	964.97	10.22%	686.55	13.40%	91.87	7.12%
Punjab	688.33	9.14%	925.65	9.80%	657.27	12.82%	171.47	13.30%
Madhya Pradesh	546.57	7.26%	494.75	5.24%	85.53	1.67%	11.20	0.87%
Odisha	504.49	6.70%	853.74	9.04%	175.35	3.42%	0.00	0.00%
Rajasthan	299.02	3.97%	275.75	2.92%	119.27	2.33%	72.59	5.63%
Maharashtra	153.30	2.04%	197.10	2.09%	155.93	3.04%	10.32	0.80%
Delhi	98.55	1.31%	14.91	0.16%	34.71	0.68%	22.82	1.77%
<b>TOTAL</b>	<b>6,934.39</b>	<b>92.11%</b>	<b>8,965.17</b>	<b>94.94%</b>	<b>5,036.65</b>	<b>98.28%</b>	<b>1,289.32</b>	<b>100.00%</b>

#### Proven track record of Financial Success

Our focus on efficient operations and effective business practices has consistently delivered effective financial results. Throughout this period, we have maintained healthy cash flow while improving our profitability. Key financial highlights for the period ending September 30, 2024 and the fiscal years ending March 31, 2024, 2023 and 2022 are as follows:

(Rs. in lakhs)

Particulars	For the period and year ended			
	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Revenue from Operations	7,527.98	9,442.50	5,125.07	1,289.32
EBITDA	928.58	875.53	401.91	154.25
EBITDA Margin (%)	12.34%	9.27%	7.84%	11.96%
Profit After tax	704.60	630.88	305.53	127.14
PAT Margin (%)	9.36%	6.68%	5.96%	9.86%
Return on Net Worth (%)	39.78%	59.15%	70.13%	97.69%

#### Experienced Promoters with senior management backed by marketing team

Our company is managed by our promoters Niraj Arya, Kunal Arya and Deepak Arya since its incorporation. Niraj Arya is Chairman and Whole time Director of the company. He has overall experience of 18 Years in Electric Vehicle and Battery Solutions Industry and is currently involved in the general business and administration functions including Accounts & Finance, Legal operations & Compliance related functions of our Company. Kunal Arya is Managing Director of the company and is having experience of 5 years in the field of Electric Vehicle and Battery Solutions Industry. He is playing vital role in formulating business strategies and effective implementation of the same. He is responsible for managing the business planning & development, Purchase, Production, Inventory & Dispatch Planning, Sales & Marketing related functions of our Company. Deepak Arya is Whole time Director of the company having experience of 12 years in the field of Electric Vehicle and Battery Solutions Industry. He is Responsible for Human Resource and customer relationship management related functions of our Company. Our Promoters and Directors are supplemented by senior management with significant experience which has been instrumental in the growth of our company.

Our promoters and senior management are backed by a team of dedicated team of staff and workers. Further, our sales network is aided by our capable in-house sales and marketing team of 19 employees as on February 28, 2025, which liaise with the dealers on a regular

basis for their inputs, market our products as well as positioning of our products vis-à-vis products of our competitors. Our initiatives have enabled our sales personnel to establish a strong relationship with our customers and improve our understanding of customer requirements.

For details on the qualifications and experience of our Promoters and senior management team, please refer to section titled "*Our Management*" beginning on page 148 of this Draft Red Herring Prospectus.

## **OUR STRATEGIES**

### ***Expand our manufacturing facility***

The Company is committed to expanding its manufacturing capabilities to enhance operational efficiency and accommodate a broader product portfolio. To this end, capital investments have been made in recent fiscal years to expand the existing manufacturing facility located in Ladwa, Hisar. The company is currently expanding its manufacturing capability through the establishment of an additional manufacturing unit.

For pursuing the same, land has been acquired via a 10-year lease agreement, dated February 13, 2025, with Smt. Saroj Arya, facilitated by Niraj Arya on behalf of the company. The leased property, situated at Khasra No. 40//11/1 (0-8), 11/3(4-12), 18/2(3-4), 19(9-16), 20/1(5-6), 21/2(4-2), 22(8-0), 23(8-0), 24/1(2-16), Khewat No. 716//581, Khetoni No. 900, Patan, Hisar- 125120, Haryana, India, encompasses 46 kanal 4 marle (approximately 24,458.01 square meters). For further details regarding the allocation of IPO proceeds, please refer to the "*Object of the Offer*" section beginning on page 81 of the Draft Red Herring Prospectus.

The successful implementation of these expansion plans will enable the Company to increase its production capacity of electric vehicles and support overall business growth. Looking ahead, the Company intends to maintain a strategic focus on capacity expansion and the modernization of its equipment and facilities. Furthermore, the Company will actively explore and pursue new ventures, opportunities, acquisitions to enhance its capabilities and drive value for its stakeholders and customers. These strategic endeavours will be carefully evaluated to ensure they align with the Company's overall business objectives and deliver tangible benefits. We will continue to pursue such opportunities where we believe they will add value to our business, our stakeholders and our customers

### ***Expansion of our geographical footprint.***

For the period ended on September 30, 2024 and financial years 2023-24, 2022-23, and 2021-22, our operating revenue amounted to Rs. 7,527.98 Lakhs, Rs. 9,442.50 Lakhs, Rs. 5,125.07 Lakhs and Rs. 1,289.32 Lakhs respectively. All revenue during this period was generated from domestic markets. As of September 30, 2024, our customer base encompassed more than 20 states and union territories across India. We intend to strategically expand our market reach by penetrating both existing and new regions within the country. Our growth strategy hinges on diversifying our geographic presence. When expanding into new territories, we prioritize locations where we can consistently deliver quality services without encountering significant delays or disruptions due to local factors. Through geographic diversification, we aim to mitigate operational risks associated with over-reliance on specific regions and safeguard against revenue fluctuations stemming from concentrated business activities within limited geographical areas.

### ***Continue to improve quality standards***

Our Company intends to focus on adhering to the quality standards of the products. Quality of the product is very important for the company from both customer point of view and market point of view. Continuous quality review of products and timely corrective measures in case of quality diversion are keys for maintaining quality standards of the products. We have been implementing measures to reduce the wastages and defectives over the period which are being produced in the production process. Providing the desired and good quality products help us in enhancing customer trust and maintaining long term relationships with customers along with brand loyalty.

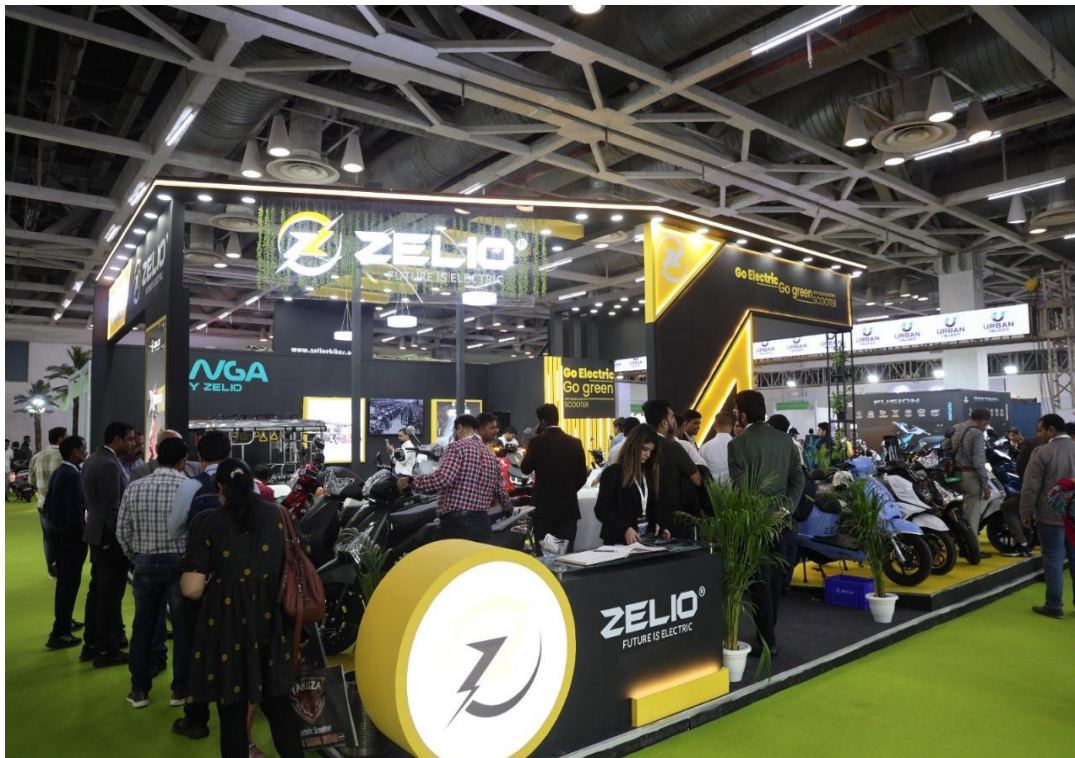
### ***Scale up branding and promotional activities***

Our wide spread presence and scale of operations allows us to increasingly focus on branding and promotional activities to enhance our visibility in the electric vehicle industry. We seek to continue to enhance brand awareness and customer loyalty through our promotional and marketing efforts substantially increasing our digital presence and engagements. The digital platform and social media have enabled us to reach and engage with a wider audience and also customize product offering to our prospective customers. We believe that our consumer-focused products and product information increase customer confidence in our products and influences our customers buying

decisions. Further, we intend to continue our marketing initiatives through regular participation in national level exhibitions, regular visit in international trade fairs, sales & promotional videos etc. Our business promotional expenses have increased by 78.03% in F.Y 2023-24 to Rs. 77.09 lakhs as against Rs. 16.94 lakhs in F.Y 2022-23.



**RIDE ASIA-EV EVENT April 2024, Pragati Maidan, New Delhi**



**EV INDIA 2024 EVENT November 2024 India Expo Centre, Greater Noida, UP, India**



## OUR PRODUCT PORTFOLIO

Our product portfolio comprises of various electric 2- wheelers and 3- wheelers which are as follows:

			
<b>Model</b>	<b>EEVA</b>	<b>Model</b>	<b>EEVAZX</b>
			
<b>Model</b>	<b>GRACY</b>	<b>Model</b>	<b>Legend</b>



**Model**

**Mystery**



**Model**

**XMen**



**Model**

**Tanga**



**Model**

**Tanga e-Loader**

**DETAILS OF OUR BUSINESS:**

**LOCATIONS:**

Currently we are operating from the following:

<b>Registered Office</b>	Office No. 542, 1st Floor, Auto Market, Hisar - 125001, Haryana, India
<b>Corporate Office &amp; Manufacturing Unit</b>	Khewat No 510, 442, Hisar Road, Ladwa, Hisar-125006, Haryana, India
<b>Warehouse</b>	Balsamand Road, 872, Near Goyal Steel Tubes, Vill Chandan Nagar, Hisar – 125001, Haryana, India
<b>Proposed Manufacturing unit</b>	Khasra No. 40//11/1(0-8), 11/3(4-12), 18/2(3-4), 19(9-16), 20/1(5-6), 21/2(4-2), 22(8-0), 23(8-0), 24/1(2-16), Khewat No.716//581, Khetoni No. 900, Patan, Hisar- 125120, Haryana, India



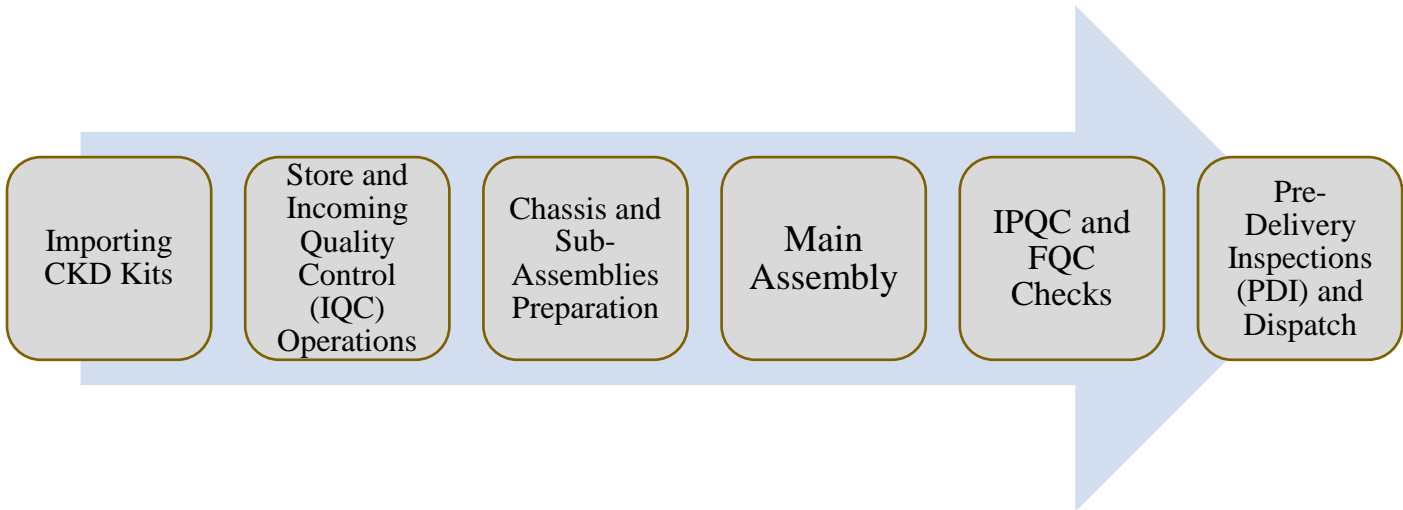
*(Current Manufacturing unit located at Ladwa, Hisar (outside view))*



*(Current Manufacturing unit located at Ladwa, Hisar (inside view))*

## MANUFACTURING PROCESS:

The **manufacturing operations** described through above diagram is explain as follows:



### Importing CKD Kits

The first step in the manufacturing process for us involves the import of CKD kits. These kits include all the essential components required for production of the electric vehicles. The components typically include the frame, motor, electricals and various other parts. And further remaining input products are sourced domestically from within the country sources.

### Store and Incoming Quality Control (“IQC”) Operations:

The Store and IQC department collaborate closely to ensure the quality of incoming material. Upon material receipt, the Store department informs the IQC team by providing material inward intimations. The IQC team then receives samples of the incoming materials for thorough quality inspection. Subsequently, the IQC team intimates the store, after issuing a report for confirmation of the material received, classifying materials as accepted or rejected. Based on the IQC feedback, the Store department takes appropriate action, either accepting the material for inward storage or returning them to the supplier. Finally, upon receiving production planning instructions, the store department issues material to the production line.

### Chassis and Sub-Assembly Preparation

Vehicle production begins with chassis preparation, including cleaning, cone pressing, VIN punching, and inspection. Sub-assemblies like the swing arm, main/side stand, and rear suspension are then installed. Concurrently, front and rear wheel assemblies are prepared, including tire mounting, inflation and disc plate installation. The front-end sub-assembly involves front fork cone pressing, handle-T, brake drum, and wheel assembly. Handlebar covers are assembled with various components. Rear body cover sub-assembly includes tail light and body cover installation. The front-end module assembly comprises headlight and front panel assembly, including component mounting and logo application. Rear fender sub-assemblies are prepared with reflectors and number plates. Finally, the vehicle body sub-assembly involves attaching centre, wheel, tool box, and inner box assemblies, along with seat, under cover, and inner fender sub-assemblies. All sub-assemblies are then transferred to designated areas for final vehicle assembly.

### Main Assembly:

The Main assembly is carried out at Main Assembly conveyor which is divided in various stations. Then, on the conveyor belt, the vehicle assembly commences with the critical integration of the Motor and Brake Drum Assembly, serving as the foundational unit upon which the entire vehicle structure is built. This crucial step establishes the core functionality of the vehicle, encompassing both the driving force and the essential braking system.

Subsequent to this, a meticulous process of installation and assembly ensues, incorporating a diverse array of components including the Controller, Pillion Foot Rests, Ignition Lock, Braking System, Luggage Box, Side Rails, Body Rear Cover, and other critical parts. This systematic integration of components gradually transforms the initial assembly into a fully functional vehicle.

Finally, the assembly process culminates at designated stations where meticulous attention is given to the final touches, including the installation and finalization of the number card, history card, and the distinctive logo, signifying the successful completion of the vehicle assembly process.

#### **In-Process Quality Control (IPQC) and Final Quality Control (FQC) Checks:**

**In-Process Quality Control (IPQC)** encompasses a series of critical checks conducted during the manufacturing process. These checks (including but not limited to verification of proper torque values using torque wrench), are applied to critical points such as those securing the Front Wheel, Rear Wheel, Race Cone Fittings, Main Stand, and Side Stand. Also includes thoroughly evaluating the performance of the electrical system, including battery functionality, proper operation of all lights and switches, and ensuring electrical continuity throughout the system. Then, meticulous visual inspections are conducted to assess panel gaps and overall fitment, ensuring a quality final product.

**The Final Quality Control Check (FQC)** encompasses a rigorous series of tests to ensure vehicle performance and safety. This includes evaluating key performance parameters such as speed, acceleration, alignment and brake effectiveness and includes thorough checking of the operation of lights, horn and charger, ensuring that the electrical system functions as intended. Then for the final check, an approximately 500-meter on-road test is conducted to assess vehicle performance and durability.

#### **Pre-Delivery Inspections (PDI) and Dispatch:**

This step involves a comprehensive series of checks and preparations, which includes the allotment of essential spares such as mirrors, tool kits, first aid kits, and floor mats. A thorough visual inspection is conducted to assess the vehicle's condition, including paint and complete body assembly. The vehicle and its accompanying spare parts are then carefully packed for transport. Following this, the vehicle is handed over to the logistics team for safe and timely dispatch to the designated dealer. Finally, a comprehensive delivery inspection report is obtained from the dealer to ensure the vehicle has been received in good condition.

#### **PLANT AND MACHINERY:**

We require machines such as Distributor pane set, cleaner machine, copper transformer, cease fire cylinder setup set, Motor production machine, Tyre fitting machine etc. for manufacturing of various electric vehicles.

#### **PRODUCTION AND INSTALLED CAPACITY**

Particulars	For the period and year ended on			
	September 30, 2024*	March 31, 2024	March 31, 2023	March 31, 2022
Installed Capacity (nos.)	36,000	72,000	18,000	18,000
Actual Production (nos.)	16,435	19,758	11,227	3,039
Capacity Utilization (in %)	45.66%	27.45%	62.37%	16.88%

\* For the 6 months ended

Annual installed capacity in single shift of 8 hrs.

The information related to the installed capacity is based on the certificate received from M/s Sanjiv Kumar, Chartered Engineers, vide their certificate dated March 21, 2025.

#### **COLLABORATIONS/TIE UPS/ JOINT VENTURES**

Except as disclosed in this Draft Red Herring Prospectus and in the normal course of business, we do not have any Collaboration/Tie Ups/ Joint Ventures as on date.

## SALES & MARKETING

Our company primarily distributes our products through a network of dealers. We identify and engage with these dealers through a multifaceted approach, including customer awareness programs, social media campaigns, and direct outreach by our marketing executives. Lead generation activities on our website further contribute to identifying potential dealer partnerships. As a part of our marketing strategy, we also participate in various exhibitions such as *Ride Asia*, an exhibition showcasing innovations that have been carried out in the electric vehicles industry, *EV India Expo*, an exhibition showcasing electric vehicles and other exhibitions. These efforts enable us to maintain direct and indirect contact with a significant portion of our customer base, allowing us to effectively understand their needs and market trends. As a manufacturer, our marketing strategy emphasizes reaching and targeting clients across various industries. Our team is responsible for a comprehensive range of activities, including product marketing, price negotiation, securing repeat orders, and ensuring timely dispatch and delivery. Through cultivating strong, long-term relationships with our dealer network, our sales team effectively expands our reach and serves a large customer base.

## COMPETITION:

The electric vehicle (EV) industry, particularly the two-wheeler segment in India, is experiencing rapid growth and intensifying competition. Several factors influence competitive dynamics, including technological innovation, battery efficiency, driving range, timely product dispatch, and pricing. Established manufacturers of conventional two and three-wheelers, emerging EV specialists, and even unorganized assemblers contribute to this competitive landscape. Large, listed companies previously focused on internal combustion engine (ICE) vehicles have now entered the EV space, while newer entrants like Ola Electric, Hero Electric, and Ather also pose significant competition.

Our competition arises not only from established industry leaders with advanced technology and innovative products but also from local, unorganized players known for cost efficiency, experienced personnel, and personalized service. The emergence of both online and offline agencies offering similar services further intensifies the dynamic nature of the market in which we operate. While this competition is fierce, it also drives positive developments, such as the expansion of charging infrastructure, which is crucial for the industry's overall growth. Companies differentiate themselves through various strategies, including product innovation, quality, affordability, and customer-centric approaches. Focusing on the specific needs of the Indian market, coupled with deep domain knowledge, skilled manpower, and robust post-sales support, are key differentiators in this highly competitive environment. Touch-and-feel marketing initiatives and continuous customer feedback loops also contribute to establishing a distinct market position. Despite the competitive pressures, companies that effectively address these factors and prioritize customer needs are positioned for sustainable growth in the evolving electric mobility sector. Some of our significant competitors in the organized segment includes Delta Autocorp Limited and Tunwal E-Motors Limited.

## INFRASTRUCTURE & UTILITIES:

- **Raw Materials:** Major Raw Materials which we require for manufacturing of our products includes EV Kits, Battery, electric motor, Tires, EV Chargers etc. We procure raw materials from the suppliers based in domestic & international market.

Details of our import and indigenous purchases are as under:

(Amount in Rs. Lakhs)

Activity	For the period / year ended on							
	September 30, 2024		March 31, 2024		March 31, 2023		March 31, 2022	
	Amount	% of total purchases	Amount	% of total purchases	Amount	% of total purchases	Amount	% of total purchases
Imports	4,793.82	73.72%	4,143.03	54.43%	1,841.26	48.21%	764.33	64.20%
Domestic Purchase	1,709.25	26.28%	3,467.94	45.57%	1,978.03	51.79%	426.17	35.80%
<b>TOTAL</b>	<b>6,503.07</b>	<b>100.00%</b>	<b>7,610.97</b>	<b>100.00%</b>	<b>3,819.29</b>	<b>100.00%</b>	<b>1190.50</b>	<b>100.00%</b>

For further details, refer Note-S “*Restated statement of cost of material consumed*” in the chapter “*Restated Financial Statements*” beginning on the page 169 of this Draft Red Herring Prospectus.





- **Power:** The requirement of power for our operations, at our registered office located at Hisar, Haryana is met through state electricity board i.e. Dakshin Haryana Bijli Vitran Nigam's supply. Whereas, at our corporate office and manufacturing unit, part power supply is met through solar plant established having electricity capacity of 60Kva and remaining through state electricity board i.e. Dakshin Haryana Bijli Vitran Nigam's supply.
- **Water:** Our water requirement is fulfilled through local sources at our registered office, corporate office and manufacturing unit.


## HUMAN RESOURCES

We believe that our employees are key contributors to our business success and thus we focus on attracting and retaining the best possible talent. We aim towards recruiting the talent that we need, facilitating the integration of our employees into the Company and encouraging the development of skills in order to support our performance and the growth of our operations. As on February 28, 2025, our company has employed around 176 employees excluding board of directors at various levels of the organization.

For the month of February 2025, our Company has deposited amount of Rs. 34,620 with the Employee Provident Fund Organisation for its 13 Employees covered under Employees' Provident Fund also For the month of February 2025 our Company has deposited amount of Rs. 57,825 with the Employees State Insurance Corporation for its 137 employees covered under Employees State Insurance Corporation.

## INTELLECTUAL PROPERTY RELATED APPROVALS:

S. No.	Brand name/ Logo Trademark/ Copyright	Class	TM Category	Applicant	Trademark Number/ Application No./ Registration Certificate Number	Date of Application	Status
1.		12	Device	Zelio Auto Private Limited	Trade Mark No. 4967525	May 07, 2021	Registered
2.		39	Device	Zelio Auto Private Limited	Trade Mark No.: 5962325	June 02, 2023	Registered
3.		12	Device	Zelio Auto Private Limited	Trade Mark No.: 5962326	June 02, 2023	Registered
4.		12	Device	Zelio Auto Private Limited	Trade Mark No.: 6153355	October 17, 2023	Registered
5.		35	Device	Zelio Auto Private Limited	Trade Mark No.: 6153356	October 17, 2023	Registered
6.	TONGA	12	Word	Zelio Auto Private Limited	Trade Mark No.: 6153357	October 17, 2023	Registered
7.		35	Word	Zelio Auto Private Limited	5639939	October 08, 2022	Registered

S. No.	Brand name/ Logo Trademark/ Copyright	Class	TM Category	Applicant	Trademark Number/ Application No./ Registration Certificate Number	Date of Application	Status
8.		12	Device	Zelio Auto Private Limited	6376602	April 06, 2024	Registered

**Design:** We have 1 registered design, details of which is as follows:

S. No.	Design	Class	Applicant	Application No.	Issuing Authority	Date of Application	Status
1.	ELECTRIC SCOOTER	12-11	Zelio Auto Private Limited	386390-001	Controller General of Patents, Designs and Trade Marks	16/05/2023	Registered

As of the date of this Draft Red Herring Prospectus, we have 8 trademark registrations in India. Further, we have 8 trademark applications in India pending, out of which 1 application is Accepted & Advertised by the trademark registry, 1 application has Formalities Chk Pass, 4 applications have been opposed by third parties and 2 applications have been objected by the trademark registry for trademark registration.

For further details on intellectual property related approvals and risks related to our intellectual properties, please refer “**Government and Other Approvals**” on page 239 and “**Risk Factors — We may not be able to adequately protect or continue to use our intellectual property.**” on page 33.

## INSURANCE

Our operations are subject to accidents which are inherent to any manufacturing process such as risks of machinery/equipment failure, worker accidents, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions including accidents that may cause injury and loss of life, severe damage to and the destruction of property and equipment and environment. We have taken FG Bharat Laghu Udyam Suraksha Policy for our corporate office and manufacturing unit which covers building, plant & machinery, furniture & stock insurance from loss due to Fire, Earthquake, Storm, tempest, flood etc. Further, we have taken theft insurance Policy for our manufacturing unit and warehouse from Future Generali India Insurance Company Limited which covers loss due to theft and riots, strikes and malicious damage. Additionally, we have taken Marine Insurance policy to cover loss of goods in transit from Future Generali India Insurance Company Limited. Along with the same, we have taken Vehicle Insurance policy, Keyman Insurance Policy for executive directors. For the safety of employees, we have also taken employees compensation insurance from Go Digit General Insurance Ltd. We have also availed Public Liability Insurance (Industrial Risks) Policy from ICICI Lombard General Insurance Company Limited which provides coverage at our corporate office and manufacturing unit. For further details, please refer to **Risk factor- “Our insurance coverage may not be adequate to protect us against all potential losses to which we may be subject and this may have a material effect on our business and financial condition”** on page 36 of this Draft Red Herring Prospectus.

## CORPORATE SOCIAL RESPONSIBILITY

Our company has adopted CSR Policy in compliance with the requirements of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014. Our company has become liable to make CSR contribution for the year ending March 31, 2025 and will make the contribution.

## IMMOVABLE PROPERTIES

The following table sets forth the locations and other details of the properties of our Company:



S. No.	Details of the Properties	Actual use	Status of the property
1.	Office No. 542, 1st Floor, Auto Market, Hisar - 125001, Haryana, India	Registered Office	The said property has been taken on rent for the period of 11 months through rent agreement dated March 18, 2025 which has been carried out between Zelio E-Mobility Limited and Saroj Arya.
2.	Khewat No 510, 442, Hisar Road, Ladwa, Hisar-125006, Haryana, India	Corporate Office and Manufacturing Unit	The said property has been acquired through Sale Deed dated June 03, 2022 by the company through our director, Niraj Arya from Vishvjeet.
3.	Balsamand Road, 872, Near Goyal Steel Tubes, Vill Chandan Nagar, Hisar – 125001, Haryana, India	Warehouse	The said property has been taken on rent for the period of 11 months through rent agreement dated March 04, 2025 which has been carried out between Zelio E-Mobility Limited and Punit Asija.
4.	Khasra No. 40//11/1(0-8), 11/3(4-12), 18/2(3-4), 19(9-16), 20/1(5-6), 21/2(4-2), 22(8-0), 23(8-0), 24/1(2-16), Khewat No.716//581, Khetoni No. 900, Patan, Hisar- 125120, Haryana, India	Leased Land would be used for proposed manufacturing unit	The said property has been taken on lease for the period of 10 years through lease agreement dated February 13, 2025 which has been executed between Smt. Saroj Arya and Zelio E-Mobility Limited through Niraj Arya.

## **KEY INDUSTRIAL REGULATIONS AND POLICIES**

*The following description is a summary of the relevant regulations and policies as prescribed by the Government of India, and the respective bye laws framed by the local bodies, and others incorporated under the laws of India. The information detailed in this Chapter has been obtained from the various legislations, including rules and regulations promulgated by the regulatory bodies and the bye laws of the respective local authorities that are available in the public domain. The statements produced below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions and may not be exhaustive, and are only intended to provide general information to investors and is neither designed nor intended to be a substitute for professional legal advice. We are subject to a number of Central and State legislations which regulate substantive and procedural aspects of the business. Additionally, the business activities of our Company require sanctions, approval, license, registration etc. from the concerned authorities, under the relevant Central and State legislations and local bye-laws. For details of Government and Other Approvals obtained by the Company in compliance with these regulations, see section titled "Government and Other Approvals" on page 239 of this Draft Red Herring Prospectus.*

### **INDUSTRY SPECIFIC REGULATIONS**

#### **MOTOR VEHICLES ACT, 1988 AND THE CENTRAL MOTOR VEHICLE RULES, 1989**

The Motor Vehicles Act, 1988, and the Central Motor Vehicle Rules, 1989 framed thereunder aim to ensure quality, safety, and performance standards in relation to any part, component, or assembly to be used in the manufacture of automobiles. In 2019, by way of an amendment, Central Government has introduced a mandatory recall provision for automobiles if any defects were found in the vehicle or a component of the vehicle, which were harmful to the environment, driver or occupant or other road users or which contains defects which are reported to the Central Government. Further, if a manufacturer notices a defect in a motor vehicle manufactured by them, they are required to inform the Central Government of the defect and initiate recall proceedings

#### **AUTOMOTIVE INDIAN STANDARD CERTIFICATE ("AIS")**

AIS certification was first launched in 1989 with the publication of the Central Motor Vehicle Rules, 1989 (CMVR). The aim was to improve the safety of traffic and means of transport. The certification is done by semi-government agencies like International Centre for Automotive Technology (a division of NATRiP Implementation Society (NATIS), Government of India). Products such as brakes, tyres, carburettors, lamps and reflectors, batteries, seat belts, door locks, tanks and number plates must be certified with AIS. Products such as rims and glass can also be certified with AIS, but must be BIS certified in any case. The certification process includes a factory inspection by Indian auditors, product testing, marking of the products, and requires some documentation.

#### **CENTRAL ELECTRICITY AUTHORITY (MEASURES RELATING TO SAFETY AND ELECTRIC SUPPLY) REGULATIONS, 2010 ("CEA REGULATIONS")**

The CEA Regulations lay down regulations for safety requirements for electric supply lines and accessories (meters, switchgears, switches, and cables). It requires all material and apparatus used in the construction, installation, protection, operation and maintenance of electric supply lines and apparatus to conform to the relevant specifications prescribed by the BIS or the International Electro-Technical Commission. These include requiring all electric supply lines and apparatus to:

- (a) have sufficient rating for power, insulation, and estimated fault current;
- (b) Central Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2010 ("CEA Regulations")
- (c) The CEA Regulations lay down regulations for safety requirements for electric supply lines and accessories (meters, switchgears, switches, and cables). It requires all material and apparatus used in the construction, installation, protection, operation and maintenance of electric supply lines and apparatus to conform to the relevant specifications prescribed by the BIS or the International Electro-Technical Commission. These include requiring all electric supply lines and apparatus to have sufficient rating for power, insulation, and estimated fault current;

#### **BUREAU OF INDIAN STANDARDS ACT, 2016**

Bureau, processes, systems and services, and formatters connected therewith and incidental thereto. Functions of the BIS include, inter alia, (a) recognizing as an Indian standard, with the prior approval of the Central Government, the mark of any international body or institution at par with the standard mark, for such goods, articles, process, system or service in India or elsewhere; (b) specifying a

standard mark to be called the Bureau of Indian Standards Certification Mark which shall be of such design and contain such particulars as maybe prescribed to represent a particular Indian standard; (c) providing training services in relation to inter alia, quality management, standards, conformity of Indian Standards Act, 2016 provides for the establishment of the Bureau of Indian Standards (“BIS”) for the development of the activities, inter alia, standardization, conformity assessment and quality assurance of goods, articles assessment; (d) publishing Indian standards; promotion of safety in connection with any goods, article, process, system or service; and (e) any such other functions as may be necessary for promotion, monitoring and management of the quality of goods, articles, processes, systems and services and to protect the interests of consumers and other stakeholders.

#### **LEGAL METROLOGY ACT, 2009 (THE “LEGAL METROLOGY ACT”) AND LEGAL METROLOGY (PACKAGED COMMODITIES) RULES, 2011**

The L.M. Act governs the standards/units/denominations used for weights and measures as well as for goods which are sold or distributed by weight, measure or number. It also states that any transaction/contract relating to goods/class of goods shall be as per the weight/measurement/numbers prescribed by the L.M. Act. Moreover, the L.M. Act prohibits any person from quoting any price, issuing a price list, cash memo or other document, in relation to goods or things, otherwise than in accordance with the provisions of the L.M. Act. The specifications with respect to the exact denomination of the weight of goods to be considered in transactions are contained in the Rules made by each State.

The Legal Metrology (Packaged Commodities) Rules, 2011 framed under the Legal Metrology Act lay down specific provisions applicable to packages intended for retail sale, wholesale packages and for export and import of packaged commodities and also provide for registration of manufacturers and packers. Further, the Legal Metrology (Packaged Commodities) Amendment Rules, 2017 lay down specific provisions for e-commerce transactions and online sale of packaged commodities.

#### **THE INFORMATION TECHNOLOGY ACT, 2000 (THE “IT ACT”) AND THE INFORMATION TECHNOLOGY (REASONABLE SECURITY PRACTICES AND PROCEDURES AND SENSITIVE PERSONAL DATA OR INFORMATION) RULES, 2011 (“IT SECURITY RULES”)**

The IT Act aims to provide legal recognition to transactions carried out by various means of electronic data interchange and other means of electronic communication and facilitate electronic filing of documents. The IT Act creates a constructive mechanism for the authentication of electronic documentation through digital signatures. The IT Act makes electronic commerce seamless by recognizing contracts concluded through electronic means, protects intermediaries in respect of third-party information liability and creates liability for failure to protect such sensitive personal data.

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

#### **THE DIGITAL PERSONAL DATA PROTECTION ACT, 2023 (“DPDP ACT”)**

The Parliament passed the DPDP Act on August 9, 2023. The DPDP Act, once notified, will replace the existing data protection provision, as contained in Section 43A of the IT Act. The DPDP Act provides for the processing of digital personal data in a manner that recognizes both the rights of individuals to protect their personal data and the need to process personal data for lawful purposes and matters incidental thereto. The DPDP Act provides that personal data may be processed only for a lawful purpose after obtaining the consent of the data principal to whom the personal data relates, or for certain legitimate uses. A notice must be given before seeking consent. It further imposes certain obligations on data fiduciaries including (i) ensuring the accuracy, consistency and completeness of personal data processed, (ii) building reasonable security safeguards to prevent a data breach, (iii) informing the Data Protection Board of India (the “DPB”) and affected persons in the event of a breach, and (iv) erasing personal data upon the data principal withdrawing consent or as soon as the purpose has been met and retention is not necessary for legal purposes (storage limitation). In case of government entities, storage limitation and the right of the data principal to erasure will not apply. The Central Government will establish the DPB. Key functions of the DPB include: (i) monitoring compliance and imposing penalties, (ii) directing data fiduciaries to take necessary measures in the event of a data breach, and (iii) hearing grievances made by data principals. The DPB members will be appointed for two years and will be eligible for re-appointment. The Central Government will prescribe details such as the number of members of the DPB and the selection process.

## **THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006**

In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise ("MSME") the Micro, Small and Medium Enterprises Development Act, 2006 is enacted. A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and Regulation) Act, 1951. The Ministry of Micro, Small and Medium Enterprise vide notification dated March 21, 2025 has amended the notification dated June 26, 2020 revised the definitions as "Micro Enterprise" wherein the investment in plant and machinery or equipment does not exceed two crore twenty-five lakh rupees and turnover does not exceed ten crores; "Small Enterprise" wherein the investment in plant and machinery or equipment does not exceed twenty-five crores and the turnover does not exceed hundred crore rupees; "Medium Enterprise", wherein the investment in plant and machinery or equipment does not exceed one hundred twenty-five crore rupees and the turnover does not exceed five hundred crore rupees.

## **THE AUTOMOTIVE MISSION PLAN 2016-2026 AND THE DRAFT NATIONAL AUTO POLICY 2018**

The Ministry of Heavy Industries, Government of India ("MHI") released the Automotive Mission Plan 2016-26 ("AMP") in September 2015, with the objective of making the Indian automotive industry an integral part of the "Make in India" programme. It envisages propelling India amongst the top three nations in the world in engineering, manufacturing and export of automotive vehicles and components by the year 2026. The AMP encourages interventions in the form of incentives for the speedy development of an indigenous component design and manufacturing base for electric and hybrid vehicles industry, and planned establishment of adequate charging stations in both cities and rural areas. The draft National Auto Policy identifies opportunities and challenges for bringing about a shift in the auto industry from pure Internal Combustion Engine Technology to 'Green Mobility' technologies (such as Hybrid Vehicles, Battery Electric Vehicles, Fuel Cell Vehicles, Alternative-Fuel Vehicles) through the use of alternate fuels, drive-train technologies or other measures.

## **NATIONAL ELECTRIC MOBILITY MISSION PLAN 2020**

The National Electric Mobility Mission Plan 2020 ("NEMMP") released in 2012 provides a vision and roadmap for the faster adoption of electric vehicles and their manufacturing in the country. This plan was designed by the MHI to enhance national fuel security, to provide affordable and environmentally friendly transportation and to enable the Indian automotive industry to achieve global manufacturing leadership. Further, it is also proposed to establish necessary charging infrastructure for electric vehicles across India. As part of the NEMMP, a scheme was formulated namely, Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles in India Scheme in the year 2015 to promote manufacturing of electric and hybrid vehicle technology.

## **THE CHARGING INFRASTRUCTURE FOR ELECTRIC VEHICLES – THE REVISED CONSOLIDATED GUIDELINES AND STANDARDS**

The revised consolidated Charging Infrastructure for Electric Vehicles dated January 14, 2022, have been issued by the Ministry of Power, and supersede all previous guidelines in this regard. The guidelines aim to proactively support creation of electric vehicle charging infrastructure, encourage preparedness of the electrical distribution system to adopt electric vehicle charging infrastructure, promote energy security and reduction of emission intensity of the country by promotion of the entire electric vehicle ecosystem, among others. The guidelines provide requirements for public charging infrastructure, requirements for location of public charging stations, and tariff for supply of electricity to electric vehicle public charging stations, and provision of land at promotional rates for public charging stations, etc.

## **SCHEME FOR FASTER ADOPTION AND MANUFACTURING OF ELECTRIC VEHICLES IN INDIA PHASE II ("FAME INDIA PHASE II") AND NOTIFICATIONS ISSUED THEREUNDER**

The phased manufacturing programme ("PMP") sought to promote domestic manufacturing of electric vehicles, its assemblies/sub-assemblies, and parts/sub-parts, thereby increasing the domestic value addition and creating employment opportunities. In line with the objectives of the programme, the DHI launched a scheme, namely 'Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles in India (FAME India)' for the promotion of electric and hybrid vehicles on March 13, 2015. Thereafter, for faster adoption of electric mobility and development of its manufacturing ecosystem in the country, phase II of the scheme namely 'FAME India Phase II' was proposed to be implemented over a period of 3 years, w.e.f. 1st April 2019. The main objective of phase II is to encourage faster adoption of electric mobility and development of its manufacturing ecosystem in the country. The scheme was thereafter extended till up to March

31, 2024, vide gazette notification dated June 25, 2021. The implementation of the scheme is through 3 verticals: (i) demand incentives, (ii) establishment of a network of charging stations, (iii) administration of schemes including publicity, IEC (Information, Education & Communication) activities with year-wise funds allocated for each vertical. The demand incentive parameter seeks to directly help in demand generation of electric vehicles by reducing the cost of acquisition. This is to be achieved by making certain incentives available for consumers (buyers/end users) in the form of an upfront reduced purchase price of hybrid and electric vehicles to enable wider adoption, which will be reimbursed to the original equipment manufacturer by the Central Government. The scheme contemplates the central government's efforts to promote e-mobility to receive supplemental support from state governments as well. The states need to offer bouquet of fiscal and non-fiscal incentives such as waiver/concessional road tax, exemption from permit, waiver/concessional toll tax, waiver/concessional parking fees, concessional registration charges, etc., which is to be notified separately in order for entities dependent on state support to be eligible for central assistance under this scheme.

Though the scheme is applicable mainly to vehicles used for public transport or those registered for commercial purposes in three-wheelers, four-wheelers, and bus segments, privately owned registered two-wheelers are covered as a mass segment. Vehicles must, among other conditions to avail demand incentives, be registered as "motor vehicles" and satisfy the provisions terms of type approval, classification, categorization, definition, road worthiness, and registration under the Central Motor Vehicle Rules, 1989, be fitted with advance batteries satisfying the performance criteria notified under the scheme and be accompanied by a comprehensive warranty for at least three years, including that of battery from the manufacturer, and have adequate facilities for after sales service for the life of vehicle.

#### **THE PRODUCTION LINKED INCENTIVE (PLI) SCHEME FOR AUTOMOBILE AND AUTO COMPONENT INDUSTRY ("AUTOMOBILE PLI SCHEME") AND THE GUIDELINES FOR THE PLI FOR AUTOMOBILE AND AUTO COMPONENT INDUSTRY ("AUTOMOBILE PLI GUIDELINES")**

The Automobile PLI Scheme for automobile and auto components was notified by the MHI on September 23, 2021 and proposed financial incentives to boost domestic manufacturing of advanced automotive technology products and attract investments in the automotive manufacturing value chain. For effective implementation of the scheme, the Automobile PLI Guidelines were laid down. The Automobile PLI Guidelines state that the 'advanced automotive technology products' for which incentives can be availed include both (a) advance automotive technology vehicles (which comprise of battery electric vehicles, and hydrogen fuel cell vehicle), as amended by MHI from time to time, and (b) advance automotive technology components, as notified by MHI. In case of any inconsistency, between the Automobile PLI Scheme and the Automobile PLI Guidelines, the provisions of the Automobile PLI Scheme are to prevail. Based on satisfying specific criteria for incentive, the Automobile PLI Guidelines state that an applicant company will be eligible for the following incentives under the scheme: (i) The 'Champion OEM Incentive Scheme' is for eligible applicants who are automotive OEM company or its group company(ies) and new non-automotive investor company or its group company(ies). Herein, the incentives are applicable on battery electric vehicles and hydrogen fuel cell vehicles of all segments – 2 wheelers, 3 wheelers, passenger vehicles, commercial vehicles, tractors, and automobile meant for military use and any other advanced automotive technology vehicle as prescribed by the MHI, and (ii) The 'Component Champion Incentive Scheme' is for eligible applicants who are automotive OEM company or its group company(ies), auto-component manufacturing company or its group company(ies) and new non-automotive investor company or its group company(ies). Incentives are applicable on pre-approved advanced automotive technology components of all vehicles, CKD/SKD kits, Vehicle aggregates of 2-Wheelers, 3-Wheelers, passenger vehicles, commercial vehicles and tractors including automobile meant for military use and any other advanced automotive technology component prescribed by the MHI. Incentives under the scheme are applicable commencing from Fiscal 2023, and disbursed in the financial years thereafter, for a total of five consecutive financial years. Approved applicants shall intimate the project management agency implementing the scheme of any change in the shareholding pattern during the tenure of the Automobile PLI Scheme, after updating with the relevant Registrar of Companies. Further, the MHI has released the "Standard Operating Procedure for certification of Domestic Value Addition of Advanced Automotive Technology Product" dated April 26, 2023 under PLI Scheme ("PLI SOP"). The PLI SOP specifies the procedure for certification of domestic value addition of advanced automotive technology products under the Automobile PLI Scheme which includes inter alia the application procedure for domestic value addition certification, initiation of certification by testing agencies, procedure for desk appraisal and techno-commercial audit.

## **PUBLIC LIABILITY INSURANCE ACT, 1991 (“PLI ACT”) AND THE RULES MADE THEREUNDER**

The PLI Act imposes liability on the owner or controller of hazardous substances for any death or injury to any person other than a workman, or any damage to any property arising out of an accident involving such hazardous substances. The government by way of a notification has enumerated a list of hazardous substances. The owner or handler is also required to obtain an insurance policy insuring against liability under the legislation. Furthermore, the PLIA Act and rules made thereunder mandate that the owner together with the amount of premium, shall also pay to the insurer, a sum equal to the amount of premium payable to the insurer, as contribution towards the environmental relief fund.

## **STATE SPECIFIC LEGISLATIONS**

### **THE PUNJAB SHOPS AND COMMERCIAL ESTABLISHMENTS ACT, 1958**

The Punjab Shops and Commercial Establishments Act, 1958 is a legislative framework designed to regulate the conditions of work and employment in shops and commercial establishments. It mandates the registration of establishments, defines working hours, rest intervals, overtime work, holidays, and leaves, including maternity leave. The Act also prohibits the employment of children and restricts the employment of women during night hours. The Act extends to the entire state of Punjab and was adapted for Haryana through the Haryana Adaptation of Laws Order, 19684. This means that the provisions of the Act are applicable to all shops and commercial establishments in Haryana, ensuring uniform regulations for employee rights and working conditions across both state.

### **THE PUNJAB FIRE PREVENTION AND FIRE SAFETY ACT, 2004**

The Punjab Fire Prevention and Fire Safety Act, 2004 aims to enhance fire prevention and safety measures in buildings and premises across Punjab. The Act defines key terms such as "building," "building rules," "assistant fire officer," and "occupier," and outlines the responsibilities of various stakeholders, including owners and occupiers, in ensuring fire safety. It mandates compliance with the National Building Code of India (Part IV) and requires the implementation of necessary measures for fire prevention, control, and safety. The Act extends to the entire state of Punjab and is enforced by designated officers, including the Assistant Fire Officer and the Director of Local Government. The objective is to safeguard life and property by establishing stringent fire safety standards and protocols.

## **ENVIRONMENT RELATED LEGISLATIONS**

### **ENVIRONMENT PROTECTION ACT, 1986**

The Environment Act is an umbrella legislation designed to provide a framework for the Central Government to coordinate activities of various state and central authorities established under previous environmental laws. The Environment Act specifies that no person carrying on any industry, operation or process shall discharge or emit or permit to be discharged or emitted any environment pollutants in excess of such standards as may be prescribed. The Environment Act empowers the Central Government to make rules for various purposes viz., to prescribe: (i) the standards of quality of air, water or soil for various areas; (ii) the maximum allowable limits of concentration of various environmental pollutants for different areas; (iii) the procedures and safeguards for the prevention of accidents which may cause environmental pollution and remedial measures for such accidents.

### **ENVIRONMENT (PROTECTION) RULES, 1986**

In exercise of powers conferred under the Environment Act, the Central Government notified the Environment Rules. Pursuant to Environment Rules, every person who carries on an industry, operation or process requiring consent under Water (Prevention and Control of Pollution) Act, 1974 or Air (Prevention and Control of Pollution) Act, 1981 or shall submit to the concerned Pollution Control Board (“PCB”) an environmental statement for that financial year in the prescribed form.

### **AIR (PREVENTION AND CONTROL OF POLLUTION) ACT, 1981**

The Air Act requires any individual, industry or institution responsible for emitting smoke or gases by way of use as fuel or chemical reactions, apply in a prescribed form and obtain consent from the PCB prior to commencing any activity. The PCB is required to grant, or refuse, consent within four months of receipt of the application. The consent may contain conditions relating to specifications of pollution control equipment to be installed. Within a period of four months after the receipt of the application for consent the PCB shall, by order in writing and for reasons to be recorded in the order, grant the consent applied for subject to such conditions and for such period as may be specified in the order, or refuse consent.

## **WATER (PREVENTION AND CONTROL OF POLLUTION) ACT, 1974**

The Water Act aims at prevention and control of water pollution as well as restoration of water quality through the establishment of a central PCB and state PCBs. Under the provisions of the Water Act, any individual, industry or institution discharging industrial or domestic wastewater or establishing any treatment or disposal system or the using of any new or altered outlet for the discharge of sewage is required to obtain the consent of the applicable state PCB, which is empowered to establish standards and conditions that are required to be complied with. The consent to operate is granted for a specific period after which the conditions stipulated at the time of granting consent are reviewed by the state PCB. Even before the expiry of the consent period, the state PCB is authorized to carry out random checks on any industry to verify if the standards prescribed are being complied with by the industry. In the event of non-compliance, the state PCB after serving notice to the concerned industry may close the mine or withdraw water supply to the industry or cause magistrates to pass injunctions to restrain such polluters.

## **THE NOISE POLLUTION (REGULATION & CONTROL) RULES, 2000**

The Noise Pollution (Regulation and Control) Rules, 2000, were established under the Environment (Protection) Act, 1986, to regulate and control noise levels in public places to protect human health and well-being. These rules define acceptable noise limits for different areas, including industrial, commercial, residential, and silence zones, and specify the permissible noise levels during day and night. They also outline the responsibilities of authorities, such as the District Magistrate and Police Commissioner, in enforcing these standards. The rules mandate the use of sound level meters for measuring noise levels and provide guidelines for the use of loudspeakers, public address systems, and other noise-emitting devices. By setting clear regulations and enforcement mechanisms, the Noise Pollution (Regulation and Control) Rules, 2000, aim to maintain ambient air quality standards concerning noise and mitigate the adverse effects of noise pollution on public health and the environment.

## **THE PLASTIC WASTE MANAGEMENT RULES, 2016**

The Plastic Waste Management (PWM) Rules, 2016, were established by the Ministry of Environment, Forest and Climate Change to address the growing issue of plastic waste in India. These rules mandate the responsibilities of various stakeholders, including local bodies, gram panchayats, waste generators, retailers, and street vendors, in managing plastic waste. The PWM Rules emphasize the principle of Extended Producer Responsibility (EPR), which requires producers, importers, and brand owners to take responsibility for the collection and recycling of plastic waste generated from their products. The rules also prohibit the manufacture and use of certain plastic products, such as carry bags and sachets, that are less than 50 microns in thickness. Additionally, the PWM Rules promote the use of plastic waste for road construction and energy recovery, thereby encouraging sustainable waste management practices. By setting clear guidelines and responsibilities, the Plastic Waste Management (PWM) Rules, 2016, aim to reduce plastic pollution and promote environmental sustainability in India.

## **HAZARDOUS AND OTHER WASTES (MANAGEMENT AND TRANSBOUNDARY MOVEMENT) RULES, 2016**

The Hazardous Waste Rules define the term “hazardous waste” and any person who has control over the affairs of a factory or premises or any person in possession of the hazardous or other waste is classified as an “occupier”. In terms of the Hazardous Waste Rules, occupiers have been, inter alia, made responsible for safe and environmentally sound handling of hazardous wastes generated in their establishments and are required to obtain license/ authorization from the respective State PCB for generation, processing, treatment, package, storage, transportation, use, collection, destruction, conversion, offering for sale, transfer or similar activities in relation to hazardous waste. The Hazardous Waste Rules also prescribe the hierarchy in the sequence of priority of prevention, minimization, reuse, recycling, recovery and co-processing. Further, State PCBs are mandated to prepare an inventory of the waste generated, waste recycled, recovered and utilized including co-processed, re-exported and disposed, based on annual returns received from occupiers and operators, and submit it to the Central Pollution Control Board on an annual basis.

## **BATTERY WASTE MANAGEMENT RULES, 2022**

The Battery Waste Management Rules, 2022 notified by the Ministry of Environment, Forest and Climate Change, govern the environmentally sound management of all types of waste batteries, including those used in electric vehicles. The rules introduce Extended Producer Responsibility (EPR), requiring manufacturers and importers to collect, recycle, or refurbish used batteries and prohibit their disposal in landfills or through incineration. A centralized online portal has been established for compliance tracking, EPR certificate trading, and reporting. These rules aim to promote resource recovery, reduce environmental harm, and support the development of a circular economy in the battery and electric mobility sector.

## **NATIONAL ENVIRONMENTAL POLICY, 2006**

This Policy seeks to extend the coverage, and fill in gaps that still exist, in light of present knowledge and accumulated experience. This policy was prepared through an intensive process of consultation within the Government and inputs from experts. It does not displace, but builds on the earlier policies. It is a statement of India's commitment to making a positive contribution to international efforts. This is a response to our national commitment to a clean environment, mandated in the Constitution in Articles 48 A and 51 A (g), strengthened by judicial interpretation of Article 21. The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource. Following are the objectives of the National Environmental Policy:

- Conservation of Critical Environmental Resources
- Intra-generational Equity: Livelihood Security for the Poor
- Inter-generational Equity
- Integration of Environmental Concerns in Economic and Social Development
- Efficiency in Environmental Resource Use
- Environmental Governance
- Enhancement of resources for Environmental Conservation

## **LABOUR RELATED LEGISLATIONS**

### **PAYMENT OF BONUS ACT, 1965\*\***

The Payment of Bonus Act, 1965 imposes statutory liability upon the employers of every establishment covered under this Act to pay bonus to their employees. It further provides for payment of minimum and maximum bonus and linking the payment of bonus with the production and productivity.

### **PAYMENT OF GRATUITY ACT, 1972\***

The Payment of Gratuity Act, 1972 ("PG Act") applies to every factory and shop or establishment in which 10 or more employees are employed. Gratuity is payable to an employee on the termination of his employment after he has rendered continuous service for not less than 5 (five) years:

- a) On his/her superannuation;
  - b) On his/her retirement or resignation;
  - c) On his/her death or disablement due to accident or disease (in this case the minimum requirement of 5 (five) years does not apply).
- Gratuity is payable to the employee at the rate of 15 (fifteen) days' wages for every completed year of service or part thereof in excess of 6 (six) months.

### **THE EMPLOYEE COMPENSATION ACT, 1923\***

The Employee Compensation Act, 1923, formerly known as the Workmen's Compensation Act, mandates employers to provide compensation to employees who suffer injuries, disabilities, or death due to workplace accidents. The Act aims to offer financial protection to workers and their families, ensuring that they receive fair compensation for any loss or injury sustained during employment. It outlines the employer's liability for compensation, including cases of occupational diseases and accidents arising out of and in the course of employment. The Act also specifies the amount of compensation based on the nature and severity of the injury, as well as the method for calculating wages and distributing compensation. By establishing a legal framework for employee compensation, the Act promotes safer work environments and ensures that workers are adequately protected in the event of workplace accidents.



### **MATERNITY BENEFIT ACT, 1961\***

The Maternity Benefit Act, 1961, as amended, regulates the employment of pregnant women and ensures that they get paid leave for a specified period during and after their pregnancy. The Maternity Benefit Act is applicable to establishments in which 10 or more employees are employed or were employed on any day of the preceding 12 months. Under the Maternity Benefit Act, a mandatory period of leave and benefits should be granted to female employees who have worked in the establishment for a minimum period of 80 days in the preceding 12 months from the date of her expected delivery. Such benefits essentially include payment of average daily wage for the period of actual absence of the female employee. The maximum period for which any woman shall be entitled to maternity benefit shall be 12 weeks, of which not more than six weeks shall precede the date of her expected delivery. Entitlement of six weeks of paid leave is also applicable in case of miscarriage or medical termination of pregnancy.

### **MINIMUM WAGES ACT, 1948**

The Minimum Wages Act, 1948 came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, and manual or clerical (including out-workers) in any employment listed in the schedule to this Act, in respect of which minimum rates of wages have been fixed or revised under the Act.

### **CONTRACT LABOUR (REGULATION AND ABOLITION) ACT, 1970, AS AMENDED (THE “CLRA ACT”)**

The Contract Labour (Regulation and Abolition) Act, of 1970 (the “CLRA Act”) requires a company to be registered as a principal employer and prescribes certain obligations with respect to the welfare and health of contract labourers. The CLRA vests responsibility in the principal employer of an establishment, to which the CLRA applies, to make an application to the concerned officer for registration of the concerned establishment. In the absence of such registration, contract labour cannot be employed in the concerned establishment. Likewise, every contractor, to whom the CLRA applies, is required to obtain a license and may not undertake or execute any work through contract labour except under and in accordance with the license issued. To ensure the welfare and health of the contract labour, the CLRA imposes certain obligations on the contractor in relation to the establishment of canteens, restrooms, drinking water, washing facilities, first aid, other facilities and payment of wages. However, in the event the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time period. Penalties, including both fines and imprisonment, may be levied for contravention of the provisions of the CLRA.

### **EMPLOYEES’ STATE INSURANCE ACT, 1948\***

The Employees’ State Insurance Act provides for certain benefits to employees in case of sickness, maternity and employment injury and to make provision for certain other matters in relation thereto. Whereas it is expedient to provide for certain benefits to employees in case of sickness, maternity and employment injury and to make provision for certain other matters in relation thereto; this Act requires all the employees of the establishment to which this act applies to be insured to the manner provided there under. The Employer and Employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the Employee State Insurance department.

### **EMPLOYEES’ PROVIDENT FUNDS AND MISCELLANEOUS PROVISIONS ACT, 1952 (“EPF ACT”)\***

The EPF Act applies to factories employing over 20 employees and such other establishments and industrial undertakings as notified by the Government of India 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.

### **PAYMENT OF WAGES ACT, 1936**

The Payment of Wages Act, 1936 as amended (the Payment of Wages Act) has been enacted to regulate the payment of wages in a particular form at regular intervals without unauthorized deductions and to ensure a speedy and effective remedy to employees against illegal deductions and / or unjustified delay caused in paying wages. It applies to the persons employed in a factory, industrial or other establishment, whether directly or indirectly, through a sub-contractor and provides for the imposition of fines and deductions and lays down wage periods. The Payment of Wages Act is applicable to factories and industrial or other establishments where the monthly wages payable is less than Rs. 6,500 per month.

### **INDUSTRIAL DISPUTES ACT, 1947**

The Industrial Disputes Act, 1947 (Industrial Disputes Act) provides for mechanism and procedure to secure industrial peace and harmony by investigation and settlement of industrial disputes by negotiations. The Industrial Disputes Act extends to whole of India and applies to every industrial establishment carrying on any business, trade, manufacture or distribution of goods and services irrespective of the number of workmen employed therein. Every person employed in an establishment for hire or reward including contract labour, apprentices and part time employees to do any manual, clerical, skilled, unskilled, technical, operational or supervisory work, is covered by the Act. The Act also provides for (a) the provision for payment of compensation to the Workman on account of closure or layoff or retrenchment. (b) the procedure for prior permission of appropriate Government for laying off or retrenching the workers or closing down industrial establishments (c) restriction on unfair labour practices on part of an employer or a trade union or workers.

### **SEXUAL HARASSMENT AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (SHWPPR Act) provides for protection against sexual harassment at the workplace to women and prevention and redressal of complaints of sexual harassment. The SHWPPR Act Defines-Sexual Harassment to include any unwelcome sexually determined behavior (whether directly or by implication). Workplace under the SHWPPR Act has been defined widely to include government bodies, private and public sector organizations, non-governmental organizations, organizations carrying on commercial, vocational, educational, entertainment, industrial, financial activities, hospitals and nursing homes, educational institutes, sports institutions and stadiums used for training individuals. The SHWPPR Act requires an employer to set up an Internal Complaints Committee at each office or branch, of an organization employing at least 10 employees. The Government in turn is required to set up a Local Complaint Committee at the district level to investigate complaints regarding sexual harassment from establishments where our internal complaints committee has not been constituted.

### **APPRENTICES ACT, 1961**

The Apprentices Act, 1961, as amended (the Apprentices Act) regulates and controls the programme of training of apprentices and matters connected there with. The term Apprentice means a person who is undergoing apprenticeship training in pursuance of a contract of apprenticeship. Apprenticeship Training means a course of training in any industry or establishment undergone in pursuance of a contract of apprenticeship and under prescribed terms and conditions which may be different for different categories of apprentices. Every person engaging as an apprentice is required to enter into a contract of apprenticeship with the employer which is reviewed and registered by the apprenticeship advisor.

### **EQUAL REMUNERATION ACT, 1976\*\***

The Equal Remuneration Act, 1976, as amended (ER Act) provides for the payment of equal remuneration to men and women workers for same or similar nature of work and prevention of discrimination, on the ground of sex, against women in the matter of employment and for matters connected therewith or incidental thereto. Under the ER Act, no discrimination is permissible in recruitment and service conditions, except where employment of women is prohibited or restricted by law. It also provides that every employer should maintain such registers and other documents in relation to the workers employed by him/ her in the prescribed manner.

### **EMPLOYEES DEPOSIT LINKED INSURANCE SCHEME, 1976**

The scheme shall be administered by the Central Board constituted under section 5A of the EPF Act. The provisions relating to recovery of damages for default in payment of contribution with the percentage of damages are laid down under Section 8A of the act. The employer falling under the scheme shall send to the Commissioner within fifteen days of the close of each month a return in the prescribed form. The register and other records shall be produced by every employer to Commissioner or other officer so authorized shall be produced for inspection from time to time. The amount received as the employer's contribution and also Central Government's contribution to the insurance fund shall be credited to an account called as "Deposit-Linked Insurance Fund Account."

### **THE EMPLOYEES' PENSION SCHEME, 1995**

Family pension in relation to this act means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable service. The scheme shall apply to all the employees who become a member of the EPF or PF of the factories provided that the age of the employee should not be more than 59 years in order to be eligible for membership under this act. Every employee who is member of EPF or PF has an option of the joining scheme. The employer shall prepare a Family Pension Fund contribution card in respect of the entire employee who is member of the fund.

### **INTER-STATE MIGRANT WORKMEN (REGULATION OF EMPLOYMENT AND CONDITIONS OF SERVICE) ACT, 1979**

Inter-State Migrant Workmen Act is an act enacted by the Parliament of India to regulate the employment of inter-state migrant workmen and to provide for their conditions of service. This Act is applicable to every establishment and contractor who has employed five or more inter-state of Passbook to every inter-state migrant workman with full details, payment of displacement allowance equivalent to 50% of monthly wages of Rs. 75/-, whichever is higher, payment of journey allowance including payment of wage during the period of the journey, suitable residential accommodation, medical facilities and protective clothing, payment of wages, equal pay for equal work irrespective of sex, etc. The main responsibility for the enforcement of the provisions of the Inter-State Migrant Workmen Act lies with the Central Government and the State Governments/Union Territories in the establishments falling in the Central and State sphere, respectively.

### **INDUSTRIAL EMPLOYMENT STANDING ORDERS ACT, 1946**

The Industrial Employment Standing Orders Act, 1946 aims to provide for the fixation of minimum rates of wages, hours of work, holidays with pay and leave with pay in factories, workshops and other establishments or undertakings which employ ten or more workers.

It also provides for the regulation of facilities like medical aid and welfare schemes to be extended by employers to their employees. It was enacted to monitor and regulate the terms and conditions of industrial employment in India. It made provisions for the security of employment and payment of wages by cash or through cheque etc. The Act also provides for machinery for adjudicating disputes regarding violation of such terms and conditions. A Standing Order is a document setting out terms and conditions of employment for workers in an industry.

### **CHILD LABOUR (PROHIBITION AND REGULATION) ACT, 1986 (Along with the amendments)**

This statute prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Under this Act the employment of child labour in the building and construction industry is prohibited. Subsequently the act was amended in 2016 with the enactment of the Child Labour (Prohibition & Regulation) Amendment Act 2016 prohibiting the employment of Children below 14 years in all employment and also with the provisions for prohibition on employment of adolescents (14-18 Years) in the scheduled hazardous occupations and processes.

### **TRADE UNION ACT, 1926 AND TRADE UNION (AMENDMENT) ACT, 2001**

Provisions of the Trade Union Act, 1926 provides that any dispute between employers and workmen or between workmen and workmen, or between employers and employers which is connected with the employment, or non-employment, or the terms of employment or the conditions of labour, of any person shall be treated as trade dispute. For every trade dispute a trade union has to be formed. For the purpose of Trade Union Act, 1926, Trade Union means combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen, or between employers and employers, or for imposing restrictive condition on the conduct of any trade or business etc.

In order to rationalize and reform labour laws in India, the Government of India has framed four labour codes, namely:

- (a) **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, and the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979. This code proposes to provide for, among other things, standards for health, safety and working conditions for employees of establishments, and will come into effect on a date to be notified by the Central Government.

- (b) **The Industrial Relations Code, 2020** received the assent of the President of India on September 28, 2020, and 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 Industrial Relations Code, 2020 will come into effect on a date to be notified by the Central Government
- (c) **The Code on Wages, 2019** received the assent of the President of India on August 8, 2019. Through its notification dated December 18, 2020, the Government of India brought into force certain sections of the Code on Wages, 2019. The remaining provisions of this code will be brought into force on a date to be notified by the Government of India. It proposes to subsume four separate legislations, namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976.
- (d) **The Code on Social Security, 2020** received the assent of the President of India on September 28, 2020. Through its notification dated April 30, 2021, the Government of India brought into force Section 142 of the Code on Social Security, 2020. The remaining provisions of this code will be brought into force on a date to be notified by the Government of India. It proposes to subsume several separate legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959, the Maternity Benefit Act, 1961, and the Payment of Gratuity Act, 1972.

*\*The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020. Through its notification dated April 30, 2021, the Government of India brought into force section 142 of the Code on Social Security, 2020. The remaining provisions of this code will be brought into force on a date to be notified by the Government of India. Once effective, it will subsume, inter alia, the Employees' Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employee's Provident Fund and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961 and the Payment of Gratuity Act, 1972.*

*\*\*The Government of India enacted 'The Code on Wages, 2019' (the "Code") which received the assent of the President of India on August 8, 2019. The provisions of the Code will be brought into force on a date to be notified by the Central Government. The Code proposes to subsume the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976, each as amended. As on date, certain provisions of the Code have been brought into force vide notification dated December 18, 2020.*

## **TAX RELATED LEGISLATIONS**

### **INCOME TAX ACT, 1961**

Income Tax Act, 1961 is applicable to every Domestic / Foreign Company whose income is taxable under the provisions of this Act or Rules made under it depending upon its Residential Status and-Type of Income involved. U/s 139(1) every Company is required to file its Income tax return for every Previous Year by 30th September of the Assessment Year. Other compliances like those relating to Tax Deduction at Source, Fringe Benefit Tax, Advance Tax, and Minimum Alternative Tax like are also required to be complied by every Company.

### **GOODS AND SERVICE TAX (GST)**

Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as The Constitution (One Hundred and First Amendment) Act 2017 and is governed by the GST Council. GST provides for imposition of tax on the supply of goods or services and will be levied by central on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A destination-based consumption tax GST would be a dual GST with the central and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder.

Every person liable to take registration under these Acts shall do so within a period of 30 days from the date on which he becomes liable to registration. The Central/State authority shall issue the registration certificate upon receipt of application. The Certificate shall contain fifteen-digit registration numbers known as Goods and Service Tax Identification Number (GSTIN). In case a person has multiple business verticals in multiple locations in a state, a separate application will be made for registration of each and every location. The

registered assesses is then required to pay GST as per the rules applicable thereon and file the appropriate returns as applicable thereon. GST has replaced following indirect taxes and duties at the central and state levels.

## **CUSTOMS ACT, 1962**

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e. bringing into India from a place outside India or at the time of export of goods i.e. taken out of India to a place outside India. Any Company requiring to import or export any goods is first required to get it registered and obtain an IEC (Importer Exporter Code).

## **FOREIGN INVESTMENT AND TRADE REGULATIONS**

### **FOREIGN INVESTMENT REGULATIONS**

Foreign Investment in India is governed by the provisions of Foreign Exchange Management Act, 1999, as amended, along with the rules, regulations and notifications made by the Reserve Bank of India thereunder, and the consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time (the "FDI Policy").

### **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 authorized 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 authorized 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 TRADE POLICY**

The Foreign Trade Policy provides that no export or import can be made by a person without an IEC unless such person is specifically exempted. The policy provides for all exports and imports made shall be governed by the Foreign Trade Policy, unless otherwise specified. FTP provides for handbook of procedures laying down the procedure to be followed by an exporter or importer or by any Licensing/Regional Authority or by any other authority for purposes of implementing provisions of FT (D&R) Act, the Rules and the Orders made there under and provisions of FTP. Under the Foreign Trade (Development and Regulation) Act, 1992, the Central Government is empowered to periodically formulate the Export Import Policy (the EXIM Policy) and amend it thereafter whenever it deems fit. All exports and imports must be in compliance with the EXIM Policy. The iron and steel industry has been extended various schemes for the promotion of exports of finished goods and imports of inputs. The major schemes available are the Duty Exemption and Remission Scheme and the Export Promotion of Capital Goods (EPCG) Scheme. The Duty Exemption Scheme enables duty free imports of inputs required for the production of exports by obtaining an advance license. The Duty Remission Scheme enables post export replenishment/remission of duty on inputs used in the export product. This scheme consists of a Duty Free Import Authorization Scheme (DFIA), the Duty Drawback Scheme (DBK) and the Duty Entitlement Pass Book (the DEPB). DFIA enables duty free replenishment of inputs used in manufacture of exports. Under the DEPB Scheme, exporters on the basis of notified entitled rates are granted duty credit, which would entitle them to import goods, except capital goods, without duty.

### **FOREIGN EXCHANGE MANAGEMENT ACT, 1999 ("FEMA") AND REGULATIONS FRAMED THEREUNDER.**

Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Promotion of Industry and Internal Trade. As laid down by the FEMA Regulations no prior consents and approvals are required from the Reserve Bank of India, for Foreign

Direct Investment under the ‘automatic route’ within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 (“FEMA Regulations”), as amended from time to time to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India and Foreign Exchange Management (Export of Goods and Services) Regulations, 2000 for regulation on exports of goods and services.

## **GENERAL STATUTORY LEGISLATIONS**

### **COMPANIES ACT, 2013 (“COMPANIES ACT”)**

The Companies Act, 2013, has replaced the Companies Act, 1956 in a phased manner. The Act received the assent of President of India on 29<sup>th</sup> August 2013. The Companies Act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The procedure related to appointment of Directors. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the Act. Further, Schedule V (read with sections 196 and 197), Part I lays down the conditions to be fulfilled for the appointment of a managing or whole-time director or manager. It provides the list of Acts under which if a person is prosecuted, he cannot be appointed as the director or Managing Director or Manager of a Company. The provisions relating to remuneration of the director’s payable by the companies is under Part II of the said schedule.

### **COMPETITION ACT, 2002**

The Competition Act, 2002 prohibits anti-competitive agreements, abuse of dominant positions by enterprises and regulates combinations in India. The Competition Act also established the Competition Commission of India (the CCI) as the authority mandated to implement the Competition Act. The provisions of the Competition Act relating to combinations were notified recently on March 4, 2011, and came into effect on June 1, 2011. Combinations which are Likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act. A combination is defined under Section 5 of the Competition Act as an acquisition, merger or amalgamation of enterprise(s) that meets certain asset or turnover thresholds. There are also different thresholds for those categorized as Individuals and Group. The CCI may enquire into all combinations, even if taking place outside India, or between parties outside India, if such combination is Likely to have an appreciable adverse effect on competition in India. Effective June 1, 2011, all combinations have to be notified to the CCI within 30 days of the execution of any agreement or other document for any acquisition of assets, shares, voting rights or control of an enterprise under Section 5(a) and (b) of the Competition Act (including any binding document conveying an agreement or decision to acquire control, shares, voting rights or assets of an enterprise); or the board of directors of a company (or an equivalent authority in case of other entities approving a proposal for a merger or amalgamation under Section 5(c) of the Competition Act. The obligation to notify a combination to the CCI falls upon the acquirer in case of an acquisition, and on all parties to the combination jointly in case of a merger or amalgamation.

### **INDIAN CONTRACT ACT, 1872**

The Contract Act is the legislation which lays down the general principles relating to formation, performance and enforceability of contracts. The rights and duties of parties and the specific terms of agreement are decided by the contracting parties themselves, under the general principles set forth in the Contract Act. The Contract Act also provides for circumstances under which contracts will be considered as ‘void’ or ‘voidable’. The Contract Act contains provisions governing certain special contracts, including indemnity, guarantee, bailment, pledge, and agency.

### **SPECIFIC RELIEF ACT, 1963**

The Specific Relief Act, 1963 is complimentary to the provisions of the Contract Act and the Transfer of Property Act, as the Act applies both to movable property and immovable property. The Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. Specific performance means Court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to other party.

### **THE INSOLVENCY AND BANKRUPTCY CODE, 2016**

The Insolvency and Bankruptcy Code (IBC), 2016, was enacted by the Indian government to consolidate and amend the laws relating to insolvency and bankruptcy of companies, partnerships, and individuals. The primary objective of the IBC is to provide a time-bound resolution process for insolvency, thereby maximizing the value of the debtor's assets and promoting entrepreneurship. The Code introduces a streamlined institutional framework, including the Insolvency and Bankruptcy Board of India (IBBI), insolvency professionals, information utilities, and adjudicatory authorities like the National Company Law Tribunal (NCLT) and its appellate body, the NCLAT. The IBC outlines a two-step process for corporate insolvency: the Insolvency Resolution Process, which involves the active participation of creditors in assessing the viability of the debtor's business, and Liquidation, where the debtor's assets are sold to repay creditors if revival is not feasible. The Code also provides for individual insolvency resolution and bankruptcy.

### **SALE OF GOODS ACT, 1930**

The law relating to the sale of goods is codified in the Sale of Goods Act, 1930. It defines sale and agreement to sell as a contract whereby the seller transfers or agrees to transfer the property in goods to the buyer for a price and provides that there may be a contract of sale between part owner and another and that the contract of sale may be absolute or conditional.

### **CONSUMER PROTECTION ACT, 2019 (“CONSUMER PROTECTION ACT”) AND RULES MADE THEREUNDER**

The Consumer Protection Act was designed and enacted to provide simpler and quicker access to redress consumer grievances. It seeks, amongst other things, to promote and protect 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” under the Consumer Protection Act includes persons engaged in offline or online transactions through electronic means or by tele-shopping or direct-selling or multi-level marketing. 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 line with the Consumer Protection Act, the Ministry of Consumer Affairs, Food and Public Distribution, Government of India (“Ministry of Consumer Affairs”) has also notified the Consumer Protection (E-Commerce) Rules, 2020 (“E-Commerce Rules”) on July 23, 2020, which provide a framework to regulate the marketing, sale and purchase of goods and services online. The E-Commerce Rules govern e-commerce entities which own, operate, or manage, a digital or electronic facility or platform for electronic commerce, but does not include a seller offering his goods or services for sale on a marketplace e-commerce entity. The Ministry of Consumer Affairs has also released draft amendments to the E-Commerce Rules for public comments. The aforesaid draft amendments require e-commerce entities to, amongst other things, register themselves with the Department for Promotion of Industry and Internal Trade, and appoint a chief compliance officer, a nodal contact person and a resident grievance officer. Additionally, the draft amendments prohibit e-commerce entities from misleading users by manipulating search results, prohibit flash sales and abuse of dominant position, and mandate e-commerce entities to identify sponsored listings of products and services with clear and prominent disclosures.

### **CODE OF CIVIL PROCEDURE, 1908**

The Code of Civil Procedure, 1908 is a procedural law related to the administration of civil proceedings in India. The Civil Procedure Code consolidates and amends the law relating to the procedure of the Courts of Civil jurisdiction. The Code of Civil Procedure is an adjective law it neither creates nor takes away any right. It is intended to regulate the procedure to be followed by Civil Courts. The Civil Procedure Code consists of two parts. 158 Sections form the first part, and the rules and orders contained in Schedule I form the second part. The object of the Code generally is to create jurisdiction while the rules indicate the mode in which the jurisdiction should be exercised.

The Code does not affect any special or local laws, nor does it supersede any special jurisdiction or power conferred or any special form of procedure prescribed by or under any other law for the time being in force. The Code is the general law so that in case of conflict between the Code and the special law the latter prevails over the former. Where the special law is silent on a particular matter the Code applies, but consistent with the special enactment.

The law of criminal procedure is intended to provide a mechanism for the enforcement of criminal law. Without the proper procedural law, the substantive criminal law which defines offences and provides punishment for them would be almost worthless.

### **BHARTIYA NYAYA SANHITA, 2023**

This act supersedes the Indian Penal Code, 1860, this comprehensive legal framework addresses various facets of criminal law, including offenses, penalties, defenses, and procedural guidelines. The Bhartiya Nyaya Sanhita Act largely retains provisions from the Indian Penal Code, 1860, but also introduced new offences including but not limited to cybercrimes, environmental violations, and removed invalidated offences that were earlier there, and enhances penalties for certain offences. Notably, community service replaced the sedition as a form of punishment and terrorism is also explicitly recognizes as an offence. The Bhartiya Nyaya Sanhita Act streamlines legal procedures, ensuring faster trials and emphasizes on witness protection and evidence collection.

### **BHARTIYA NAGRIK SURAKSHA SANHITA ACT, 2023**

This act superseded the Code of Criminal Procedure, 1973 and became the main legislation on procedure for administration of substantive criminal law in India, this act received assent from the president of India on December 25, 2023 and came into effect from July 01, 2024. The Bhartiya Nagrik Suraksha Sanhita Act, introduces specific timelines for investigation and trial, ensures timely FIR registration for complaints submitted through electronic communication, mandates forwarding medical examination reports of rape victims within seven days, and empowers courts to conduct trial in absentia against proclaimed offenders. Additionally, the Act emphasizes prompt judgment pronouncement and requires audio-video recording of search and seizure during investigations. Notably, proceeds of crime can be attached by the court and distributed among victims. The Bhartiya Nagrik Suraksha Sanhita Act aims to expedite proceedings and enhance transparency in the criminal justice system.

### **BHARTIYA SAKSHYA ADHINIYAM ACT, 2023**

This act superseded the Indian Evidence Act, 1872, this act modernizes evidence handling within the Indian legal system, addressing digital evidence and other contemporary issues. This act focuses on procedural aspect of law, governing how rights may be enforced before a court of law. This act introduces changes related to electronic evidence definitions and admissibility procedures. This act received presidential assent on December 25, 2023, and came into effect from July 01, 2024, this act has omitted certain terms which were earlier present in the Indian Evidence Act and the major change was to include electronic evidence as part of the definition of documentary records and also included the possibility of giving oral evidence electronically.

### **ARBITRATION & CONCILIATION ACT, 1996**

The Arbitration and Conciliation Act, 1996 is an act to consolidate and amend the law relating to domestic arbitration, international commercial arbitration and enforcement of foreign arbitral awards as also to define the law relating to conciliation and for matters connected therewith or incidental thereto. It aims at streamlining the process of arbitration and facilitating conciliation in business matters. The Act recognizes the autonomy of parties in the conduct of arbitral proceedings by the arbitral tribunal and abolishes the scope of judicial review of the award and minimizes the supervisory role of Courts. A significant feature of the Act is the appointment of arbitrators by the Chief Justice of India or Chief Justice of High Court. The Chief Justice may either appoint the arbitrator himself or nominate a person or Institution to nominate the arbitrator. The autonomy of the arbitral tribunal has further been strengthened by empowering them to decide on jurisdiction and to consider objections regarding the existence or validity of the arbitration agreement.

### **NEGOTIABLE INSTRUMENTS ACT, 1881**

In India, cheques are governed by the Negotiable Instruments Act, 1881, which is largely a codification of the English Law on the subject. The Act provides effective legal provision to restrain people from issuing cheques without having sufficient funds in their account or any stringent provision to punish them in the event of such cheque not being honoured by their bankers and returned unpaid. Section 138 of the Act creates statutory offence in the matter of dishonour of cheques on the ground of insufficiency of funds in the account maintained by a person with the banker which is punishable with imprisonment for a term which may extend to two year or with fine which may extend to twice the amount of the cheque, or with both.

### **INDIAN STAMP ACT, 1899**

Under the Indian Stamp Act, 1899 (the “Stamp Act”) stamp duty is payable on instruments evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. Stamp duty must be paid on all instruments specified under the Stamp Act at the rates specified in the schedules to the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state. Instruments chargeable to duty under the Stamp Act, which are not duly stamped are incapable of being admitted in court as evidence of the transaction contained therein and it also provides for impounding of instruments that are not sufficiently stamped or not stamped at all.



## **THE REGISTRATION ACT, 1908 (“REGISTRATION ACT”)**

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

## **INTELLECTUAL PROPERTY RELATED LEGISLATIONS**

In general, the Intellectual Property Rights include but are not limited to the following enactments:

- i. Trademarks Act, 1999
- ii. Indian Copyright Act, 1957
- iii. The Patents Act, 1970
- iv. Design Act, 2000

## **TRADEMARKS ACT, 1999 (“TRADEMARKS ACT”)**

The Trademarks Act governs the statutory protection of trademarks and prevention of the use of fraudulent marks in India. It provides for the application and registration of trademarks in India. It also provides for exclusive rights to marks such as brand, label, and heading and to obtain relief in case of infringement for commercial purposes as a trade description. Under the provisions of the Trademarks Act, an application for trademark registration may be made with the Controller General of Patents, Designs and Trademarks by any person or persons claiming to be the proprietor of a trademark, whether individually or as 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 to gain protection under the provisions of the Trademarks Act. The Trademarks Act prohibits registration of deceptively similar trademarks and provides penalties for infringement, falsifying or falsely applying for trademarks. Further, pursuant to the notification of the Trademarks (Amendment) Act, 2010, simultaneous protection of trademark in India and other countries has been made available to owners of Indian and foreign trademarks. It also seeks to simplify the law relating to the transfer of ownership of trademarks by assignment or transmission and to bring the law in line with international practices.

## **COPYRIGHT ACT, 1957**

Copyright is a right given by the law to creators of literary, dramatic, musical and artistic works and producers of cinematograph films and sound recordings. In fact, it is a bundle of rights including, inter alia, and rights of reproduction, communication to the public, adaptation and translation of the work. There could be slight variations in the composition of the rights depending on the work.

## **THE PATENTS ACT, 1970 (“PATENTS ACT”)**

The Patents Act governs the patent regime in India. India is a signatory to the Trade Related Agreement on Intellectual Property Rights and recognizes both product as well as process patents. The Patents Act provides for, inter alia, the following:

- Patent protection period of 20 years from the date of filing the patent application;
- Recognition of product patents in respect of food, medicine and drugs;
- Import of patented products will not be considered as an infringement; and
- Under certain circumstances, the burden of proof in case of infringement of process patents may be transferred to the alleged infringer.

## **THE DESIGN ACT, 2000**

The Design Act, which came into force in May 2001, along with the rules made thereunder consolidate and amend the law relating to protection of designs. A design refers to the features of shape, configuration, pattern, ornamentation or composition of lines or colors applied to any article, in two or three dimensional or both forms, by an industrial process or means, whether manual, mechanical or chemical, separate or combined which in the finished article appeal to and is judged solely by the eye. In order to register a design, it must be new or original and must not be disclosed to the public anywhere in India or any other country by publication in tangible form or by use or in any other way prior to the filing date. A design should be significantly distinguishable from known designs or combination

of known designs in order for it to be registered. A registered design is valid for a period of 10 years after which the same can be renewed for a second period of five years, before the expiration of the original period of 10 years. After such period, the design is made available to the public by placing it in the public domain.

## **OTHER LAWS**

### **MUNICIPALITY LAWS**

Pursuant to the Seventy Fourth Amendment Act, 1992, the respective State Legislatures in India have the power to endow the Municipalities (as defined under Article 243Q of the Constitution of India) with the power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India which includes regulation of public health. The respective States of India have enacted laws empowering the Municipalities to regulate public health including the issuance of a health trade license for operating eating outlets and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

### **POLICE LAWS**

The State Legislatures in India are empowered to enact laws in relation to public order and police under Entries 1 and 2 of the State List (List II) to the Constitution of India. Pursuant to the same the respective States of India have enacted laws regulating the same along with prescribing penalties for non-compliance.

## HISTORY AND CORPORATE STRUCTURE

### Brief history of our Company:

Our Company was originally incorporated as a private limited Company in the name of “Zelio Auto Private Limited” under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated on July 15, 2021 issued by the Registrar of Companies, Central Registration Centre, bearing CIN: U34102HR2021PTC096362. Further, pursuant to Special Resolution passed by the shareholders at the Extra Ordinary General Meeting held on October 25, 2024, the name of our Company was changed from “Zelio Auto Private Limited” to “Zelio E-Mobility Private Limited” and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Central Processing Centre vide letter dated November 21, 2024. Subsequently, our Company was converted into a Public Limited Company vide Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting, held on November 22, 2024 and consequently the name of our Company was changed from “Zelio E-Mobility Private Limited” to “Zelio E-Mobility Limited” vide a fresh certificate of incorporation consequent upon conversion from private company to public company dated November 29, 2024 issued by the Registrar of Companies, Central Processing Centre. Our Company’s Corporate Identity Number is U34102HR2021PLC096362.

Niraj Arya, Kunal Arya and Deepak Arya were the initial subscribers to the Memorandum of Association of our Company.

The details in this regard have been disclosed in the chapter titled “*Capital Structure*” beginning on page 69 of this Draft Red Herring Prospectus.

For information on our Company’s profile, activities, products, market, growth, technology, managerial competence, standing with reference to prominent competitors, major Vendors and suppliers, please refer the sections titled “*Our Business*”, “*Industry Overview*”, “*Our Management*”, “*Financial information of the Company*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 111, 102, 148, 169 and 223 respectively of this Draft Red Herring Prospectus.

### Our Locations:

<b>Registered Office</b>	Shop No. 542, 1 <sup>st</sup> Floor, Auto Market, Hisar – 125001, Haryana, India
<b>Corporate Office &amp; Manufacturing Unit</b>	Khewat No 510 442, Hisar Road Ladwa, Hisar – 125006, Haryana, India
<b>Warehouse</b>	Balsamand Road, 872, Near Goyal Steel Tubes, Vill Chandan Nagar, Hisar – 125001, Haryana, India

### Changes in the Registered Office of the Company since Incorporation:

There has not been any change in our Registered Office since inception till the date of this Draft Red Herring Prospectus.

### Main Objects of our Company as per the Memorandum of Association:

The main objects of our Company, as set forth in our Memorandum of Association, are as follows:

1. To carry on the business of manufacturing, assembling, marketing, trading, buying, selling. Retailing, wholesaling, distributing, importing, exporting, servicing, repairing, inventing, converting, and otherwise dealing in electric vehicles, including but not limited to electric bicycles, motorcycles, cars, scooters, E-Rickshaws, E-Loaders, E-Carts, and other two-wheelers and three-wheelers. as well as non-electric vehicles, auto parts, electric motors for automobiles, and related accessories. This includes electric toys, self-balancing electric scooters, electrically powered carts, electronic gadgets and spare parts such as tyres, batteries, capacitors, wheels, components and other variants. implements, appliances, and accessories used in electric and non-electric vehicles.
2. To carry on the business of marketing, promoting, and establishing showrooms, garages, service centers, and electric vehicle charging stations and related facilities; to develop charging infrastructure to support the use and adoption of electric vehicles; to provide facilities for dealers to offer motor vehicle insurance services to their customers; and to establish agencies and networks in different parts of the country to enhance the reach, accessibility, and promotion of the company's products and services.

3. To provide transport facilities for the distribution and delivery of the company's products, including vehicles, spare parts. and accessories, to customers, dealers, distributors, and service centers, both within India and internationally, using road, rail, air, or sea transport, as required.

**Amendments to the Memorandum of Association:**

Except as stated below there has been no change in the Memorandum of Association of our Company since its Incorporation:

Date of Meeting	Type of Meeting	Nature of Amendments
October 25, 2024	EGM	<p><b><u>Clause I of the Memorandum of Association was amended to reflect:</u></b></p> <p>Change in name of Company from “Zelio Auto Private Limited” to “Zelio E-Mobility Private Limited” and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Central Registration Centre vide letter dated November 21, 2024.</p>
November 22, 2024	EGM	<p><b><u>Alteration in Name Clause pursuant to conversion:</u></b></p> <p>Conversion of our Company from Private Limited to Public Limited Company. Consequently, the name of our Company was changed from “Zelio E-Mobility Private Limited” to “Zelio E-Mobility Limited” and a fresh certificate of incorporation consequent upon conversion to public company dated November 29, 2024 bearing CIN: U34102HR2021PLC096362 was issued by the Registrar of Companies, Central Processing Centre.</p>
December 04, 2024	EGM	<p><b><u>Clause V of our Memorandum of Association was amended to reflect:</u></b></p> <p>Increase in the authorized share capital of the Company from ₹200.00 Lakhs divided into 20,00,000 Equity Shares of ₹10/- each to ₹2500.00 Lakhs divided into 2,50,00,000 Equity Shares of ₹10/- each.</p>
December 04, 2024	EGM	<p><b><u>The existing Clause III(A) of our Memorandum of Association were substituted with the Clause III(A) as under:</u></b></p> <ol style="list-style-type: none"> <li data-bbox="444 1056 1515 1329">1. To carry on the business of manufacturing, assembling, marketing, trading, buying, selling. Retailing, wholesaling, distributing, importing, exporting, servicing, repairing, inventing, converting, and otherwise dealing in electric vehicles, including but not limited to electric bicycles, motorcycles, cars, scooters, E-Rickshaws, E-Lodders, E-Carts, and other two-wheelers and three-wheelers. as well as non-electric vehicles, auto parts, electric motors for automobiles, and related accessories. This includes electric toys, self-balancing electric scooters, electrically powered carts, electronic gadgets and spare parts such as tyres, batteries, capacitors, wheels, components and other variants. implements, appliances, and accessories used in electric and non-electric vehicles.</li> <li data-bbox="444 1360 1515 1539">2. To carry on the business of marketing, promoting, and establishing showrooms, garages, service centers, and electric vehicle charging stations and related facilities; to develop charging infrastructure to support the use and adoption of electric vehicles; to provide facilities for dealers to offer motor vehicle insurance services to their customers; and to establish agencies and networks in different parts of the country to enhance the reach, accessibility, and promotion of the company's products and services.</li> <li data-bbox="444 1581 1515 1661">3. To provide transport facilities for the distribution and delivery of the company's products, including vehicles, spare parts. and accessories, to customers, dealers, distributors, and service centers, both within India and internationally, using road, rail, air, or sea transport, as required.</li> </ol>

**Major Key Events, Milestone and Achievements of our Company:**

The Table below sets forth some of the major events in the history of our company:

Effective Date/ F.Y.	Key Events / Milestone / Achievements
July 15, 2021	Incorporation of the Company.
October 01, 2021	Received Test Report for initial Models of E-Scooters – EEVA & Gracy
2022-23	Crossed Revenue of ₹ 50 crores
2023-24	Crossed Revenue of ₹ 90 crores
May 08, 2024	Received ICAT Certificate for E-Rickshaw under own Brand Name – Tanga
June 07, 2024	Received ICAT Certificate for our First High Speed E-Scooter – Mystery
December 19, 2024	Received ICAT Certificate for E-Rickshaw under own Brand Name – Tanga E-Loader
November 21, 2024	Change in name of Company from “Zelio Auto Private Limited” to “Zelio E-Mobility Private Limited”
November 29, 2024	Conversion of Company from Private Limited to Limited Company i.e. Zelio E-Mobility Limited.
February 07, 2025	Received ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018
February 13, 2025	Executed Lease Deed for Setting up of Proposed Manufacturing Unit at Patan, Hisar, Haryana

**Other details about our Company:**

For details of our Company’s activities, products, growth, awards & recognitions, capacity, locations, technology, marketing strategy, competition and our customers, please refer section titled **“Our Business”, “Management’s Discussion and Analysis of Financial Conditions and Results of Operations”** and **“Basis for Offer Price”** on pages 111, 223 and 92 respectively of this Draft Red Herring Prospectus. For details of our management and managerial competence and for details of shareholding of our Promoters, please refer to sections titled **“Our Management”** and **“Capital Structure”** beginning on page 148 and 69 of this Draft Red Herring Prospectus respectively.

**Capital Raising (Debt / Equity):**

For details in relation to our capital raising activities through equity, please refer to the chapter titled **“Capital Structure”** beginning on page 69 of this Draft Red Herring Prospectus. For details of our Company’s debt facilities, see **“Statement of Financial Indebtedness”** on page 220 of this Draft Red Herring Prospectus.

**Changes in activities of our Company during the last five (5) Years:**

There has not been any change in the activity of our Company during the last five (5) years preceding the date of this Draft Red Herring Prospectus.

**Our Holding Company:**

As on the date of this Draft Red Herring Prospectus, our Company is not a subsidiary of any company.

**Our Subsidiary Company**

As on the date of this Draft Red Herring Prospectus, Our Company does not have any Subsidiary Company.

**Our Associates Company:**

Our Company does not have any Associate Company as on the date of this Draft Red Herring Prospectus.

**Joint Ventures:**

The Company has not formed any joint ventures as on the date of this Draft Red Herring Prospectus.

**Details regarding Acquisition of Business/Undertakings, Mergers, Amalgamation, Revaluation of Assets etc.**

Except as disclosed in this Draft Red Herring Prospectus, our Company has not made any material acquisitions or divestments of any business or undertakings, mergers, amalgamation or revaluation of assets in the last 10 years preceding the date of this Draft Red Herring Prospectus.

**Injunction or Restraining Order:**

Except as disclosed in the section titled “*Outstanding Litigation and Material Developments*” beginning on page 235 of this Draft Red Herring Prospectus, there are no injunctions/restraining orders that have been passed against the Company.

**Capacity/ Facility Creation, Location of Plants**

For details pertaining to capacity / facility creation, location of plant refers section “*Our Business*” on page 111 of this Draft Red Herring Prospectus.

**Details of launch of key products, entry in new geographies or exit from existing markets**

For details pertaining to launch of key products, entry in new geographies or exit from existing markets, please refer chapter titled “*Our Business*” on page 111 of this Draft Red Herring Prospectus.

**Number of shareholders of our Company:**

Our Company has 7 (Seven) shareholders as on the date of this Draft Red Herring Prospectus. For further details on the shareholding pattern of our Company, please refer to the chapter titled “*Capital Structure*” beginning on page 69 of this Draft Red Herring Prospectus.

**Changes in the Management:**

For details of change in Management, please see chapter titled “*Our Management*” on page 148 of this Draft Red Herring Prospectus.

**Agreement with key managerial personnel, Senior Management or Directors or Promoters or any other employee of the Company:**

There are no agreements entered into by key managerial personnel, Senior Management or Directors or Promoters or any other employee, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

**Agreement that may impact the management or control of our Company or impose any restriction or create any liability upon our Company**

As of the date of this Draft Red Herring Prospectus, there are no agreements entered into by the Shareholders, Promoters, Promoter Group entity, related parties, Directors, KMPs, employees of our Company or of our Subsidiaries, among themselves or with our Company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of our Company or impose any restriction or create any liability upon our Company, whether or not our Company is a party to such agreements.

**Shareholders Agreements:**

There are no subsisting shareholder’s agreements among our shareholders in relation to our Company, to which our Company is a party or otherwise has notice of the same as on the date of this Draft Red Herring Prospectus.

**Collaboration Agreements:**

As on date of this Draft Red Herring Prospectus, Our Company is not a party to any collaboration agreements.

**Material Agreement:**

Our Company has not entered into any subsisting material agreements including with strategic partners, joint venture partners and/or financial partners, entered into, other than in the ordinary course of business of the Company.

**Strategic or Financial Partners:**

Except as disclosed in this Draft Red Herring Prospectus, Our Company does not have any strategic or financial partners as on the date of this Draft Red Herring Prospectus.

**Time and Cost Overruns in Setting up Projects:**

There has been no time / cost overrun in setting up projects by our Company.

**Defaults or Rescheduling of Borrowings with Financial Institutions/Banks:**

There have been no defaults or rescheduling of borrowings with any financial institutions/banks as on the date of this Draft Red Herring Prospectus.

**Other Agreements:**

**i. Non-Compete Agreement:**

Our Company has not entered into any Non- compete Agreement as on the date of filing of this Draft Red Herring Prospectus.

**ii. Joint Venture Agreement:**

Our Company has not entered into any Joint Venture Agreement as on the date of filing of this Draft Red Herring Prospectus.

**OUR MANAGEMENT****Board of Directors:**

As on the date of this Draft Red Herring Prospectus, our Board comprises of Six Directors including three Executive Directors, one Non-Executive Director and two Independent Directors, two of whom are woman directors.

The following table sets forth the details regarding the Board of Directors of our Company as on the date of filing of this Draft Red Herring Prospectus:

Name, Designation, Age, Date of Birth, Address, Experience, Occupation, Qualifications, Current term, Period of Directorship and DIN	Other directorships
<b>Niraj Arya</b> <b>Designation:</b> Chairman & Whole Time Director <b>Age:</b> 52 years <b>Date of Birth:</b> October 02, 1972 <b>Address:</b> House No 786, PLA Hisar, Police Line Area, Near Town Park, Hisar – 125001, Haryana, India. <b>Experience:</b> 18 years <b>Occupation:</b> Business <b>Qualification:</b> Senior Secondary (12 <sup>th</sup> ) <b>Current Term:</b> Change in designation as Chairman & Whole Time Director of the Company for a period of 5 years, w.e.f. February 11, 2025. <b>Period of Directorship:</b> since incorporation <b>DIN:</b> 09241628	Nil
<b>Kunal Arya</b> <b>Designation:</b> Managing Director <b>Age:</b> 28 years <b>Date of Birth:</b> April 24, 1996 <b>Address:</b> House No 786, PLA Hisar, Police Line Area, Near Town Park, Hisar – 125001, Haryana, India. <b>Experience:</b> 5 years <b>Occupation:</b> Business <b>Qualification:</b> Senior Secondary (12 <sup>th</sup> ) <b>Current Term:</b> Change in designation as Managing Director of the Company for a period of 5 years, w.e.f. February 11, 2025. <b>Period of Directorship:</b> since incorporation <b>DIN:</b> 09241630	Nil
<b>Deepak Arya</b> <b>Designation:</b> Whole Time Director <b>Age:</b> 46 years <b>Date of Birth:</b> August 08, 1978 <b>Address:</b> H. No. 785, PLA Hisar – 125001, Haryana, India. <b>Experience:</b> 12 Years <b>Occupation:</b> Business <b>Qualification:</b> Bachelor of Arts <b>Current Term:</b> Change in designation as Whole Time Director of the Company for a period of 5 years, w.e.f. February 11, 2025. <b>Period of Directorship:</b> since incorporation <b>DIN:</b> 09241629	Nil
<b>Sayuri Arya</b> <b>Designation:</b> Non – Executive Director <b>Age:</b> 25 Years <b>Date of Birth:</b> February 10, 2000 <b>Address:</b> House No 786, PLA Hisar, Police Line Area, Near Town Park, Hisar – 125001, Haryana, India.	Nil



<p><b>Experience:</b> 1.5 years  <b>Occupation:</b> Business  <b>Qualification:</b> Post Graduate Diploma in Business Management  <b>Current Term:</b> Appointed as Non – Executive Director, w.e.f. February 11, 2025.  <b>Period of Directorship:</b> w.e.f. February 11, 2025  <b>DIN:</b> 10942187</p>	
<p><b>Sulabh Jain</b>  <b>Designation:</b> Independent Director  <b>Age:</b> 30 Years  <b>Date of Birth:</b> May 10, 1994  <b>Address:</b> K -1101, KW Srishti, Raj Nagar Extension, Ghaziabad – 201017, Uttar Pradesh, India.  <b>Experience:</b> 8 years  <b>Nationality:</b> Indian  <b>Occupation:</b> Business  <b>Qualification:</b> Company Secretary  <b>Current Term:</b> Appointed as Independent Director for a period of 5 years, w.e.f. February 11, 2025 and shall not be liable to retire by rotation.  <b>Period of Directorship:</b> w.e.f. February 11, 2025  <b>DIN:</b> 07739598</p>	<p><b>Company:</b></p> <ol style="list-style-type: none"> <li>1. Credent Asset Management Services Private Limited</li> <li>2. Qualitek Labs Limited</li> <li>3. Credent Global Finance Limited</li> <li>4. GMT Industries Limited</li> </ol>
<p><b>Meenakshi Jain</b>  <b>Designation:</b> Independent Director  <b>Age:</b> 34 years  <b>Date of Birth:</b> April 10, 1990  <b>Address:</b> House No. 2744, 3<sup>rd</sup> Floor, Sector 14 – P2, Behind Shree Ram Ideal School, Hisar - 125001, Haryana, India  <b>Experience:</b> 9 years  <b>Occupation:</b> Business  <b>Qualification:</b> Company Secretary  <b>Current Term:</b> Appointed as Independent Director for a period of 5 years, w.e.f. February 11, 2025 and shall not be liable to retire by rotation.  <b>Period of Directorship:</b> w.e.f. February 11, 2025  <b>DIN:</b> 10937510</p>	<p style="text-align: center;">Nil</p>

**Brief Profile of Directors:**

1. **Niraj Arya**, is Promoter, Chairman & Whole Time Director of our Company. He has been on the Board of Directors of the Company since incorporation. He Completed his Senior Secondary (12<sup>th</sup>) from Board of School Education Haryana in 1989. He has an overall experience of 18 Years in Electric Vehicle and Battery Solutions Industry. He is currently involved in the general business and administration functions including Accounts & Finance, Legal operations & Compliance related functions of our Company.
2. **Kunal Arya**, is Promoter and Managing Director of our Company. He has been on the Board of Directors of the Company since incorporation. He Completed his Senior Secondary (12<sup>th</sup>) from Central Board of Secondary Education in 2013. He has an overall experience of 5 years in the field of Electric Vehicle and Battery Solutions Industry. He is playing vital role in formulating business strategies and effective implementation of the same. He is responsible for managing the business planning & development, Purchase, Production, Inventory & Dispatch Planning, Sales & Marketing related functions of our Company.
3. **Deepak Arya**, is Promoter and Whole Time Director of our Company. He has been on the Board of Directors of the Company since incorporation. He holds a Degree of Bachelor of Arts from Dayanand College, Hisar affiliated from Kurukshetra University, Kurukshetra. He has an overall experience of 12 years in the field of Electric Vehicle and Battery Solutions Industry. He is Responsible for Human Resource, Customer Relationship Management related functions of our Company.

5. **Sayuri Arya** is Promoter and Non-Executive Director of our Company. She Completed Post Graduate Diploma in Business Management from SVKM's Narsee Monjee Institute of Management Studies in 2022. She has an experience of 1.5 years in the field of Electric Vehicle Industry. She is responsible for the general business and administration functions in our Company.
6. **Sulabh Jain** is an independent director of our Company. He is a qualified member of the Institute of Company Secretaries of India since year 2016. He is a Practising Company Secretary having work experience of 8 years in the field of Regulatory Compliance and Advisory services in Corporate Laws, RERA, Trademark, FEMA Compliances, etc., Currently he is also director in Credent Asset Management Services Private Limited, Qualitek Labs Limited, GMT Industries Limited and Credent Global Finance Limited, Designated Partner in Juris Advisors LLP and a proprietor of Sulabh Jain & Associates.
7. **Meenakshi Jain** is the Independent Director of our Company. She is a Qualified Member of Institute of Company Secretaries of India since year 2014. She is a practicing Company Secretary and possesses varied experience of around 9 years in the field of Corporate and Secretarial Compliance. She is currently engaged as Proprietor in a Proprietorship firm, Meenakshi Goyal & Associates.

**Confirmations:**

As on the date of this Draft Red Herring Prospectus:

- a) None of our Directors have held or currently hold directorship in any listed company whose shares have been or were suspended from being traded on any of the stock exchanges in the five years preceding the date of filing of this Draft Red Herring Prospectus with the SEBI, during the term of his/ her directorship in such company.
- b) Further, none of our Directors of our Company are or were associated in the capacity of a director with any listed company which has been delisted from any stock exchange(s) at any time in the past.
- c) None of our Directors have been identified as a wilful defaulter or a fraudulent borrower, as defined under Regulation 2(1)(III) of SEBI (ICDR) Regulation 2018 and there are no violations of securities laws committed by them in the past and no prosecution or other proceedings for any such alleged violation are pending against them.
- d) Neither Company nor our Directors are declared as fugitive economic offenders as defined in Regulation 2(1) (p) of the SEBI ICDR Regulations, and have not been declared as a 'fugitive economic offender' under Section 12 of the Fugitive Economic Offenders Act, 2018.
- e) None of our Directors have been debarred from accessing capital markets by the Securities and Exchange Board of India. Additionally, none of our directors are or were, associated with any other company which is debarred from accessing the capital market by the Securities and Exchange Board of India.

**Arrangements with major Shareholders, Customers, Suppliers or Others:**

We have not entered into any arrangement or understanding with our major shareholders, customers, suppliers or others, pursuant to which any of our Directors were selected as Director or member of the senior management.

**Service Contracts:**

The Directors of our Company have not entered into any service contracts with our company which provides for benefits upon termination of their employment.

**Details of Borrowing Powers of Directors**

Pursuant to a special resolution passed at an Extra Ordinary General Meeting of our Company held on February 11, 2025 and pursuant to provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, the Board of Directors of the Company have been authorized to borrow monies from time to time, any sum or sums of money on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company may exceed in the aggregate, its paid up capital and free reserves and security premium (apart

from temporary loans obtained / to be obtained from bankers in the ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed in the aggregate of ₹100 crores (Rupees One Hundred Crores Only).

#### **Compensation of our Managing Director & Whole-time Directors**

The compensation payable to our Managing Director and Whole-time Directors will be governed as per the terms of their appointment and shall be subject to the provisions of Sections 2(54), 2(94), 188, 196, 197, 198 and 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force).

#### **The following compensation has been approved for Managing Director & Whole time Director:**

##### **Niraj Arya: Chairman & Whole Time Director**

Pursuant to the resolutions passed by our Board and our Shareholders on February 07, 2025 and February 11, 2025 respectively, the designation of Niraj Arya changed to Chairman & Whole Time Director for a period of five years with effect from February 11, 2025 at a remuneration of upto Rs. 60 Lakhs per annum, which includes, basic salary, dearness allowance, perquisites and other allowances or any other combination thereof. The remuneration has been approved for a period of 5 years with effect from February 11, 2025.

##### **Kunal Arya: Managing Director**

Pursuant to the resolutions passed by our Board and our Shareholders on February 07, 2025 and February 11, 2025 respectively, the designation of Kunal Arya changed to Managing Director for a period of five years with effect from February 11, 2025 at a remuneration of upto Rs. 60 Lakhs per annum, which includes, basic salary, dearness allowance, perquisites and other allowances or any other combination thereof. The remuneration has been approved for a period of 5 years with effect from February 11, 2025.

##### **Deepak Arya: Whole Time Director**

Pursuant to the resolutions passed by our Board and our Shareholders on February 07, 2025 and February 11, 2025 respectively, the designation of Deepak Arya changed to Whole Time Director for a period of five years with effect from February 11, 2025 at a remuneration of upto Rs. 60 Lakhs per annum, which includes, basic salary, dearness allowance, perquisites and other allowances or any other combination thereof. The remuneration has been approved for a period of 5 years with effect from February 11, 2025.

#### **Payments or benefits to Directors:**

##### **The remuneration/ Compensation paid to our Directors:**

Except mentioned below, no other current directors have received remuneration during the fiscal year 2023-24:

<b>Name of Directors</b>	<b>Amount (Rs. in lakhs)</b>
Kunal Arya	18.00
Niraj Arya	18.00
Deepak Arya	18.00

*Note: Sayuri Arya was appointed as Non-Executive Director w.e.f. February 11, 2025.*

#### **Bonus or Profit-Sharing plan for our Directors:**

We have no bonus or profit sharing plan for our Directors.

#### **Sitting Fees:**

Pursuant to the provision of section 197(5) of the Companies Act, 2013 read with the rule 4 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the remuneration payable in terms of sitting fees to the Directors (including Independent Directors) of the Company, such sum as may be decided by the Board of Directors which shall not exceed ₹1,00,000/- (Rupees One Lakh Only) per meeting of the Board or Committee thereof.

**Shareholding of our Directors as on the date of this Draft Red Herring Prospectus: -**

Sr. No.	Name of the Directors	No. of Shares held	Holding in %
1.	Niraj Arya	55,09,449	33.33
2.	Kunal Arya	55,08,898	33.33
3.	Deepak Arya	55,09,449	33.33
	<b>Total</b>	<b>1,65,27,796</b>	<b>99.99</b>

None of the Independent Directors of the Company holds any Equity Shares of Company as on the date of this Draft Red Herring Prospectus.

We do not have Subsidiary Company as defined under Section 2(87) of the Companies Act, 2013.

Our Articles of Association do not require our Directors to hold any qualification Equity Shares in the Company.

**INTEREST OF DIRECTORS**

All the Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses payable to them under the Articles, and to the extent of remuneration paid to them for services rendered as an officer or employee of the Company. For further details, please refer to Chapter titled **"Our Management"** beginning on page 148 of this Draft Red Herring Prospectus.

Our Directors may also be regarded as interested to the extent of their shareholding and dividend payable thereon, if any, and to the extent of Equity Shares, if any held by them in our Company or held by their relatives. Further our Directors are also interested to the extent of unsecured loans, if any, given by them to our Company or by their relatives or by the companies/ firms in which they are interested as directors/Members/Partners. Further our Directors are also interested to the extent of loans, if any, taken by them or their relatives or taken by the companies/ firms in which they are interested as Directors/Members/Partners and for the details of Personal Guarantee given by the Directors towards Financial facilities of our Company please refer to **"Statement of Financial Indebtedness"** on page 220 of this Draft Red Herring Prospectus.

Except as stated otherwise in this Draft Red Herring Prospectus, our Company has not entered into any Contract, Agreements or Arrangements during the preceding two years from the date of this Draft Red Herring Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be entered into with them.

Except as stated in this section **"Our Management"** or the section titled **"Financial information of the Company –Annexure- VIII- Related Party Disclosure"** beginning on page 148 and 169 respectively of this Draft Red Herring Prospectus, and except to the extent of shareholding in our Company, our Directors do not have any other interest in our business.

**Interest in the property of Our Company:**

Our Directors do not have any interest in any property acquired/rented by our Company in a period of two years before filing of this Draft Red Herring Prospectus or proposed to be acquired by us as on date of this Draft Red Herring Prospectus.

**Changes in Board of Directors in last 3 Years**

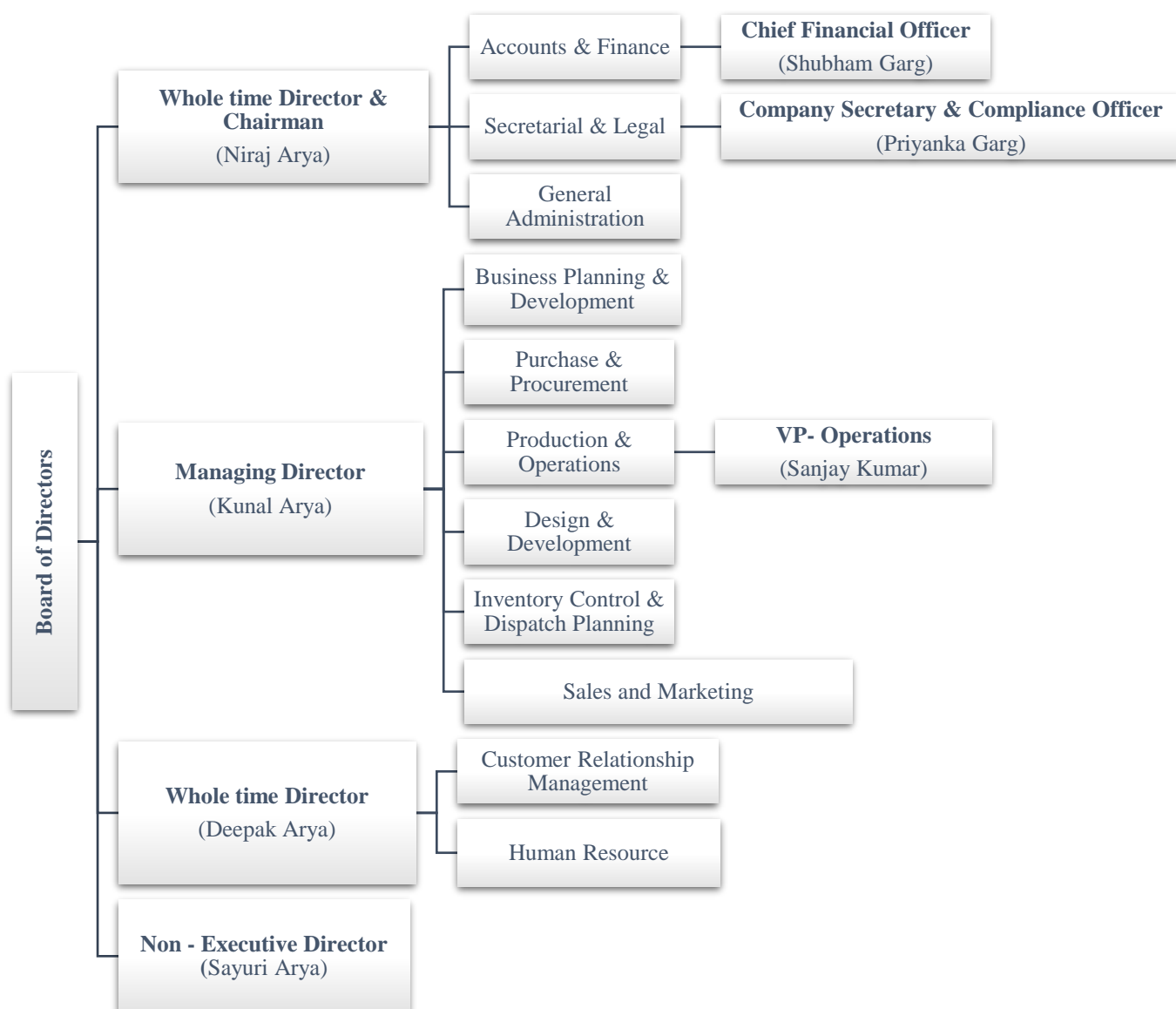
Except as mentioned hereunder, there is no change in Board of Directors of the Company in last 3 years: -

Sr. No.	Name of Directors	Date of Appointment / Re- appointment/ Change in designation/ Cessation	Reasons for Change
1.	Kunal Arya	Appointed as Director w.e.f July 15, 2021. Further designated as Managing Director w.e.f. February 11, 2025 for the period of 5 years.	To ensure better Corporate Governance
2.	Niraj Arya	Appointed as Director w.e.f July 15, 2021. Further, designated as Chairman & Whole Time Director w.e.f. February 11, 2025 for the period of 5 years.	
3.	Deepak Arya	Appointed as Director w.e.f July 15, 2021. Further, designated as Whole Time Director w.e.f. February 11, 2025 for the period of 5 years.	

Sr. No.	Name of Directors	Date of Appointment / Re- appointment/ Change in designation/ Cessation	Reasons for Change
4.	Sayuri Arya	Appointed as Non-Executive Director w.e.f February 11, 2025.	
5.	Sulabh Jain	Appointed as Independent Director w.e.f. February 11, 2025 in the EGM dated February 11, 2025.	
6.	Meenakshi Jain	Appointed as Independent Director w.e.f. February 11, 2025 in the EGM dated February 11, 2025.	

**MANAGEMENT ORGANISATION STRUCTURE**

The following chart depicts our Management Organization Structure: -



## **COMPLIANCE WITH CORPORATE GOVERNANCE**

In addition to the applicable provisions of the Companies Act, 2013, provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and SEBI (ICDR) Regulations, 2018 in respect of corporate governance will be applicable to our Company immediately upon the listing of our Company's Equity Shares on Stock Exchanges. We are in compliance with the requirements of corporate governance with respect to composition of Board and constitution of the committees of the Board, including the Audit Committee, Nomination and Remuneration Committee, Stakeholder Relationship Committee and Corporate Social Responsibility Committee, by our Company and formulation and adoption of policies, as prescribed under the SEBI Listing Regulations. Our Board undertakes to take all necessary steps to continue to comply with all the requirements of Listing Regulations and the Companies Act, 2013.

Our Board has been constituted in compliance with the Companies Act, the SEBI (LODR) Regulations. The Board of Directors function either as a full board or through various committees constituted to oversee specific operational areas.

Our Board of Directors consist of six (6) Directors of which two (2) are Independent Directors, and we have two women directors on the Board. In compliance with Section 152 of the Companies Act, 2013, not less than two thirds of the Directors (excluding Independent Directors) are liable to retire by rotation.

### **Committees of the Board:**

The Board of Directors functions either as a full board or through various committees constituted to oversee specific operational areas. In addition to the Committees detailed below, our Board of Directors may, from time to time constitute Committees for various functions.

Details of the Committees as on the date of this Draft Red Herring Prospectus are set forth below

#### **1. Audit Committee**

Our Company at its Board Meeting held on February 12, 2025 has constituted an Audit Committee ("Audit Committee") in compliance with the provisions of the Section 177 of the Companies Act, 2013 read with rule 6 of the companies (Meeting of board and its power) rules, 2014 and Regulation 18 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The constituted Audit Committee comprises following members:

<b>Name of the Directors</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
Meenakshi Jain	Chairman	Independent Director
Sulabh Jain	Member	Independent Director
Kunal Arya	Member	Managing Director

The Company Secretary of the Company shall act as a Secretary to the Audit Committee. The scope and function of the Audit Committee and its terms of reference shall include the following:

#### **A. Tenure:**

The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.

#### **B. Meetings of the Committee:**

The audit committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between two meetings. The quorum for audit committee meeting shall either be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors. The Chairman of the Audit Committee shall attend the Annual General Meeting of the Company to furnish clarifications to the shareholders on any matter relating to accounts.

### C. Role and Powers:

The audit committee shall have powers to investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary as may be prescribed under the Companies Act, 2013 (together with the rules thereunder) and SEBI Listing Regulations; and to have full access to information contained in records of Company.

### D. Scope and terms of reference:

The Role of Audit Committee together with its powers as per Part C of Schedule II of SEBI Listing Regulation, 2015 and Companies Act, 2013 shall be as under:

- (a) oversight the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
- (b) Recommending to the Board for the appointment, re-appointment, replacement, remuneration and terms of appointment of the statutory auditors of the Company;
- (c) Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
- (d) Approving payments to the statutory auditors for any other services rendered by the statutory auditors;
- (e) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act;
  - ii. Changes, if any, in accounting policies and practices and reasons for the same;
  - iii. Major accounting entries involving estimates based on the exercise of judgment by management;
  - iv. Significant adjustments made in the financial statements arising out of audit findings;
  - v. Compliance with listing and other legal requirements relating to financial statements;
  - vi. Disclosure of any related party transactions; and
  - vii. Qualifications and modified opinions in the draft audit report.
- (f) Reviewing, with the management, the half-yearly and annual financial statements before submission to the Board for approval;
- (g) 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 utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/application of the funds raised through the proposed initial public offer by the Company;
- (h) Approval or any subsequent modifications of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;
- (i) Scrutiny of inter-corporate loans and investments;
- (j) Valuation of undertakings or assets of the Company, wherever it is necessary;
- (k) Evaluation of internal financial controls and risk management systems;
- (l) Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
- (m) Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;
- (n) 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;
- (o) Discussing with internal auditors on any significant findings and follow up thereon;
- (p) 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;
- (q) Discussing 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;
- (r) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (s) Reviewing the functioning of the whistle blower mechanism;
- (t) Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;
- (u) Reviewing the utilization of loans and/ or advances from/investment by the holding company in any subsidiary exceeding ₹1,000 million or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;

- (v) Considering and commenting on the rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;
- (w) Such roles as may be delegated by the Board and/or prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law; and
- (x) Carrying out any other functions as is mentioned in the terms of reference of the audit committee or containing into SEBI (LODR) Regulations 2015.

The Audit Committee shall mandatorily review the following information:

- (a) management discussion and analysis of financial condition and results of operations;
- (b) statement of significant related party transactions (as defined by the audit committee), submitted by management
- (c) management letters / letters of internal control weaknesses issued by the statutory auditors;
- (d) internal audit reports relating to internal control weaknesses;
- (e) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- (f) statement of deviations:
  - i. half yearly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI Listing Regulations, as amended.
  - ii. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of SEBI Listing Regulations, as amended.
- (g) Such information as may be prescribed under the Companies Act, and the rules thereunder, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, each as amended.

## 2. Nomination and Remuneration Committee

Our Company at its Board Meeting held on February 12, 2025 has constituted the Nomination and Remuneration Committee in compliance with the provisions of Section 178, Schedule V and all other applicable provisions of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Power) Rules, 2014 and Regulation 19 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The constituted Nomination and Remuneration Committee comprises following members:

Name of the Directors	Status in Committee	Nature of Directorship
Meenakshi Jain	Chairman	Independent Director
Sulabh Jain	Member	Independent Director
Sayuri Arya	Member	Non-Executive Director

The scope and function of the Committee and its terms of reference shall include the following:

### A. Tenure:

The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

### B. Meetings:

The committee shall meet as and when the need arises, subject to at least one meeting in a year. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is greater, including at least one independent director in attendance. The Chairperson of the nomination and remuneration committee may be present at the annual general meeting, to answer the shareholders' queries; however, it shall be up to the chairperson to decide who shall answer the queries.

### C. Scope and terms of reference:

The terms of reference of the Nomination and Remuneration Committee as per Regulation 19 and Part D of Schedule II of SEBI Listing Regulations and Companies Act, 2013 shall be as under:



- (a) formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- (b) for the appointment of an independent director, the committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the board of directors of the Company for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - i. use the services of external agencies, if required;
  - ii. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - iii. consider the time commitments of the candidates.
- (c) formulation of criteria for evaluation of the performance of independent directors and the Board;
- (d) devising a policy on diversity of our Board;
- (e) identifying persons, who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluation of every director's performance;
- (f) determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- (g) recommending remuneration of executive directors and any increase therein from time to time within the limit approved by the members of our Company;
- (h) recommending remuneration to non-executive directors in the form of sitting fees for attending meetings of the Board and its committees, remuneration for other services, commission on profits;
- (i) recommending to the Board, all remuneration, in whatever form, payable to senior management;
- (j) performing such functions as are required to be performed by the compensation committee under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended;
- (k) engaging the services of any consultant/professional or other agency for the purpose of recommending compensation structure/policy;
- (l) analyzing, monitoring and reviewing various human resource and compensation matters;
- (m) reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
- (n) framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
  - i. The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended; or
  - ii. The SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended; and
- (o) performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations, Companies Act, each as amended or other applicable law.

### 3. Stakeholders Relationship Committee

Our Company at its Board Meeting held on February 12, 2025 has approved the constitution of the Stakeholders Relationship Committee in compliance with the provisions of the Section 178(5) and all other applicable provisions of the Companies Act, 2013 read with the Rules framed thereunder and Regulation 20 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The constituted Stakeholders Relationship Committee comprises the following:

Name of the Directors	Status in Committee	Nature of Directorship
Meenakshi Jain	Chairman	Independent Director
Kunal Arya	Member	Managing Director
Niraj Arya	Member	Whole time Director

The scope and function of the Stakeholder Relationship Committee and its terms of reference shall include the following:

#### A. Tenure:

The Stakeholder Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholder Relationship Committee as approved by the Board.

**B. Meetings:**

The Stakeholder Relationship Committee shall meet at least once in a year, and shall report to the Board on a quarterly basis regarding the status of redressal of the complaints received from the shareholders of the Company. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher. The Chairperson of the Stakeholders Relationship Committee shall be present at the annual general meetings to answer queries of the security holders.

**C. Scope and terms of reference:**

The terms of reference of the Stakeholders Relationship Committee as per Regulation 20 and Part D of Schedule II of SEBI Listing Regulations, 2015 and Companies Act, 2013 shall be as under:

- 1) Resolving the grievances of the security holders of the Company including complaints related to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;
- 2) Review of measures taken for effective exercise of voting rights by shareholders;
- 3) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the registrar & share transfer agent;
- 4) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
- 5) Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
- 6) To approve, register, refuse to register transfer or transmission of shares and other securities;
- 7) To issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company;
- 8) To approve the transmission of shares or other securities arising as a result of death of the sole/any joint shareholder;
- 9) To dematerialize or rematerialize the issued shares;
- 10) Ensure proper and timely attendance and redressal of investor queries and grievances;
- 11) Carrying out any other functions contained in the Companies Act, 2013 and/or equity listing agreements (if applicable), as and when amended from time to time; and
- 12) To perform such functions as may be delegated by the Board and to further delegate all or any of its power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s).
- 13) Such terms of reference as may be prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law.

**4. Corporate Social Responsibility Committee**

Our company has pursuant to the provisions of Section 135 of the Companies Act 2013 and Schedule VII constituted a Corporate Social Responsibility Committee of the Board of Directors vide Resolution dated February 12, 2025. The Corporate Social Responsibility Committee comprises the following:

<b>Name of the Directors</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
Kunal Arya	Chairman	Managing Director
Niraj Arya	Member	Whole Time Director
Meenakshi Jain	Member	Independent Director

The Corporate Social Responsibility Committee role and responsibilities shall be as provided under section 135 of the Companies Act, 2013 shall be as under:

- a) Formulate and periodically review the CSR Policy.
- b) Formulate and recommend the annual action plan.
- c) Indicate the list of activities to be undertaken by the Company in areas or subject. For India, this will be aligned to activities specified in Schedule VII of the Companies Act, 2013.
- d) Recommend the amount of expenditure to be incurred on the activities referred to in clause (a) of sub-section (3) of Section 135 of the Companies Act, 2013;

- e) To institute a transparent monitoring mechanism for the implementation of the CSR projects, programs and activities undertaken the Company from time to time;
- f) Monitor and report on the progress on the annual action plan.
- g) Ensure implementation of the activities under CSR.
- h) Place the CSR Policy on the Company's website, if any.
- i) Ensure expenditure of requisite amount on CSR every year as per law.
- j) Disclose reasons for not spending the amount (if applicable) in the Annual Report to the Shareholders of the Company.
- k) Ensure that the funds so disbursed have been utilized for the purposes and in the manner as approved by Board.
- l) Approve transfer of unspent CSR Amount in accordance with the law. The Accounts and Finance Team of the Company shall prepare the statement of spent and unspent CSR amounts and shall assist and facilitate for transfer of the same.
- m) Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

## KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

Our Company is supported by a team of professionals having exposure to various operational aspects of our business. A brief detail about the Key Managerial Personnel and Senior Management of our Company is provided below:

Name, Designation, Educational Qualification & Term of office	Age (Years)	Year of joining	Compensation paid for F.Y. ended 2023-24 (Amount in Rs. Lakhs)	Overall experience (in years)	Previous employment
<b>Kunal Arya</b> Designation: Managing Director Educational Qualification: Senior Secondary (12 <sup>th</sup> ) Term of office: 5 years w.e.f. February 11, 2025	28	2021	18.00	5	Rajdhani Machinery Store
<b>Niraj Arya</b> Designation: Chairman & Whole Time Director Educational Qualification: Senior Secondary (12 <sup>th</sup> ) Term of office: 5 years w.e.f. February 11, 2025	52	2021	18.00	18	Jai Bharat Engg. Tools Co.
<b>Deepak Arya</b> Designation: Whole Time Director Educational Qualification: Bachelor of Arts Term of office: 5 years w.e.f. February 11, 2025	46	2021	18.00	12	Jai Bharat Engg. Tools Co.
<b>Shubham Garg</b> Designation: Chief Financial Officer Educational Qualification: Chartered Accountant	27	2025	NIL	4	BDO India LLP
<b>Priyanka Garg</b> Designation: Company Secretary and Compliance Officer Educational Qualification - Company Secretary	31	2025	NIL	8	S V Creditline Limited
<b>Sanjay Kumar</b> Designation: Vice President – Operations Educational Qualification – Diploma Mechanical Engineering	39	2024	NIL	15	Jindal Mobilitric Private limited

## BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

### Key Managerial Personnel

**Kunal Arya**, Managing Director of our Company - Please refer to section “**Brief Profile of our Directors**” beginning on page 148 of this Draft Red Herring Prospectus for details.

**Niraj Arya**, Chairman & Whole Time Director of our Company - Please refer to section “**Brief Profile of our Directors**” beginning on page 148 of this Draft Red Herring Prospectus for details.

**Deepak Arya**, Whole Time Director of our Company - Please refer to section “**Brief Profile of our Directors**” beginning on page 148 of this Draft Red Herring Prospectus for details.

**Shubham Garg**, is the Chief Financial Officer of our Company. He is an associate member of the Institute of Chartered Accountants of India from the year 2023. He has a work experience of 4 years in Finance, Accounts, Taxation & Statutory Compliances. He was appointed w.e.f March 01, 2025. He is responsible for shaping the company’s financial strategy, ensuring regulatory adherence and overseeing accounting, banking, taxation, and corporate finance functions our Company.

**Priyanka Garg**, is the Company Secretary and Compliance Officer of our Company. She was appointed w.e.f March 01, 2025. She is a qualified Company Secretary and an associate member of the Institute of Company Secretaries of India since 2017. She has experience of 8 years in the field of secretarial and corporate law compliances. She is responsible for undertaking various functions in our Company including corporate governance and secretarial matters and ensuring conformity with the regulatory provisions applicable to our company.

### Senior Management Personnel

**Sanjay Kumar** is Vice President – Operations of our Company. He is associated with our company since April 16, 2024. He holds Diploma in Mechanical Engineering from Haryana State Board of Technical Education. He has experience of more than 15 years in the field of Production, Process enhancement and Quality Assurance in Automotive Industry. Currently, he is responsible for entire Plant Operations including Inventory management, Production Management, Quality Control & Dispatch Planning in our Company. Previously he was associated with Jindal Mobilitric Private limited, E-Sprinto Green Energy Private Limited, Okaya EV Private Limited, Okinawa Autotech Private Limited, Mahindra & Mahindra Limited and Suzuki Motorcycle India Private Limited.

#### We confirm that:

- All the persons named as our Key Managerial Personnel and Senior Management above are the permanent employees of our Company.
- There is no understanding with major shareholders, customers, suppliers or any others pursuant to which any of the above mentioned Key Managerial Personnel and Senior Management have been recruited.
- None of our KMPs and Senior Management except Niraj Arya, Kunal Arya and Deepak Arya are also part of the Board of Directors.
- In respect of all above mentioned Key Managerial Personnel and Senior Management there has been no contingent or deferred compensation accrued for the year ended September 30, 2024.
- Except for the terms set forth in the appointment letters, the Key Managerial Personnel and Senior Management have not entered into any other contractual arrangements or service contracts (including retirement and termination benefits) with the issuer.
- Our Company does not have any bonus/profit sharing plan for any of the Key Managerial Personnel and Senior Management.
- None of the Key Managerial Personnel and Senior Management hold any shares of our Company as on the date of filing of this Draft Red Herring Prospectus except as under.

Sr. No.	Name of the KMPs	No of shares held
1.	Niraj Arya	55,09,449
2.	Kunal Arya	55,08,898
3.	Deepak Arya	55,09,449
<b>Total</b>		<b>1,65,27,796</b>

### Turnover of KMPs/ Attrition of Employees

The turnover of KMPs/ attrition of employees is not high, compared to the industry to which our company belongs.

**Nature of any family relationship between our Directors and Key Managerial Personnel (KMP) and Senior Management Personnel**

Except as detailed below, none of our Key Management Personnel, Senior Management Personnel or Directors are related to each other, within the meaning of section 2(77) of the Companies Act, 2013

Sr. No.	Name of the Director/KMPs	Relationship
1.	Niraj Arya	Father of Kunal Arya and Sayuri Arya Brother of Deepak Arya
2.	Kunal Arya	Son of Niraj Arya Brother of Sayuri Arya
3.	Deepak Arya	Brother of Niraj Arya Uncle of Kunal Arya and Sayuri Arya
4.	Sayuri Arya	Daughter of Niraj Arya Sister of Kunal Arya

**Payment of benefits to officers of Our Company (non-salary related)**

Except as disclosed in this Draft Red Herring Prospectus and any statutory payments made by our Company to its officers, our Company has not paid any sum, any non-salary related amount or benefit to any of its officers or to its employees including amounts towards super-annuation, ex-gratia/rewards.

Except statutory benefits upon termination of employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of such officer's employment in our Company or superannuation. Contributions are made by our Company towards the Provident fund, Gratuity fund and Employee State Insurance

**Changes in the Key Managerial Personnel and Senior Management Personnel in last three years:**

There have been no changes in the Key Managerial Personnel and Senior Management Personnel of our Company during the last 3 (three) year except as stated below:

Sr. No.	Name of Directors/ KMP's	Designation and period	Appointment/ Cessation/Re-designation	Reasons
1.	Sanjay Kumar	Vice President – Operations (W.e.f. April 16, 2024)	Appointment	For Organizational Efficiency
2.	Niraj Arya	Chairman & Whole Time Director (For 5 years w.e.f. February 11, 2025)	Change in designation	To comply with the provisions of the Companies Act 2013 and to ensure better Corporate Governance
3.	Kunal Arya	Managing Director (For 5 years w.e.f. February 11, 2025)	Change in designation	
4.	Deepak Arya	Whole Time Director (For 5 years w.e.f. February 11, 2025)	Change in designation	
5.	Shubham Garg	Chief Financial Officer (w.e.f. March 01, 2025.)	Appointment	
6.	Priyanka Garg	Company Secretary & Compliance Officer (w.e.f. March 01, 2025.)	Appointment	

**Interest of our Key Managerial Personnel and Senior Management Personnel**

Apart from the shares held in the Company held by Niraj Arya, Kunal Arya and Deepak Arya to the extent of remuneration allowed and reimbursement of expenses incurred by them for or on behalf of the Company, none of our Key Managerial Personal and Senior Management Personnel is interested in our Company. For details, please refer section titled "*Financial information of the Company – Annexure – VIII: Restated Statement of Related Party Transaction*" beginning on page 193 of this Draft Red Herring Prospectus.

**Interest of our KMP's and Senior Management Personnel in the property of our Company**

Except as disclosed in chapter titled "*Our Management*" beginning on page 148 of this Draft Red Herring Prospectus, Our KMPs and Senior Management Personnel do not have any interest in any property acquired by our Company in a period of two years before the filing of this Draft Red Herring Prospectus or proposed to be acquired by us as on the date of filing the Red Herring Prospectus with RoC.

**Details of the Service Contracts of the Key Managerial Personnel and Senior Management Personnel**

Except for the terms set forth in the appointment letters, the Key Managerial Personnel and Senior Management Personnel have not entered into any other contractual arrangements with our Company for provision of benefits or payments of any amount upon termination of employment.

**Loans given/availed by Directors / Key Managerial Personnel / Senior Management Personnel of our Company**

For details of unsecured loan taken from or given to our Directors/KMPs /Senior Management Personnel and for details of transaction entered by them in the past please refer to "*Annexure – VIII: Restated Statement of Related Party Transaction*" page 193 of this Draft Red Herring Prospectus.

**Employee Stock Option Plan ('ESOP')/ Employee Stock Purchase Scheme ('ESPS Scheme')/ Stock Appreciation Rights Scheme (SARs) to Employees**

Presently, we do not have Employee Stock Option Plan (ESOP)/ Employee Stock Purchase Scheme (ESPS)/ Stock Appreciation Rights Scheme (SARs) for our employees.

## OUR PROMOTERS & PROMOTER GROUP

### Our Promoters:



The Promoters of our Company are:

- 1) Niraj Arya
- 2) Kunal Arya
- 3) Deepak Arya and
- 4) Sayuri Arya.

As on date of this Draft Red Herring Prospectus, our Promoters, in aggregate, hold 1,65,27,796 Equity shares in our Company, representing 99.99% of the pre-offer paid-up equity share capital of our Company. For details of the build-up of the Promoters shareholding in our Company, see **“Capital Structure –Build-up of the Promoters’ shareholding in our Company”** on page 74 of this Draft Red Herring Prospectus.

**Brief Profile of our Promoters is as under:**

	<p><b>Niraj Arya – Chairman &amp; Whole Time Director</b></p> <p>Niraj Arya, aged 52 years, is one of our Promoter and is also the Chairman &amp; Whole Time Director on our Board. For further details, i.e., his date of birth, residential address, educational qualifications, experience in business or employment, business and financial activities, special achievements, positions/posts held in the past and other directorships, see <b>“Our Management –Brief profile of Directors”</b> on page 148 of this Draft Red Herring Prospectus.</p> <p><b>Other ventures of our Promoters</b> – Except as disclosed below and set out in the chapter titled <b>‘Our Management’</b>, our Promoters are not involved with any other venture, as a shareholder/ stakeholder, proprietor, partner, promoters or director.</p> <p>His permanent account number is ABAPA4331R.</p> <p>For details of his shareholding, please see <b>“Capital Structure”</b> on page 69 of this Draft Red Herring Prospectus.</p>
	<p><b>Kunal Arya - Managing Director</b></p> <p>Kunal Arya, aged 28 years, is one of our Promoter and is also the Managing Director on our Board. For further details, i.e., his date of birth, residential address, educational qualifications, experience in business or employment, business and financial activities, special achievements, positions/posts held in the past and other directorships, see <b>“Our Management –Brief profile of Directors”</b> on page 148 of this Draft Red Herring Prospectus.</p> <p><b>Other ventures of our Promoters</b> – Except as disclosed below and set out in the chapter titled <b>‘Our Management’</b>, our Promoters are not involved with any other venture, as a shareholder/ stakeholder, proprietor, partner, promoters or director.</p> <p>His permanent account number is CCYPA2765G.</p> <p>For details of his shareholding, please see <b>“Capital Structure”</b> on page 69 of this Draft Red Herring Prospectus.</p>

	<p><b>Deepak Arya – Whole Time Director</b></p> <p>Deepak Arya, aged 46 years, is one of our Promoter and is also Whole Time Director on our Board. For further details, i.e., his date of birth, residential address, educational qualifications, experience in business or employment, business and financial activities, special achievements, positions/posts held in the past and other directorships, see <b>“Our Management –Brief profile of Directors”</b> on page 148 of this Draft Red Herring Prospectus.</p> <p><b>Other ventures of our Promoters</b> – Except as disclosed below and set out in the chapter titled <b>‘Our Management’</b>, our Promoters are not involved with any other venture, as a shareholder/ stakeholder, proprietor, partner, promoters or director.</p> <p><b>Partnership</b></p> <p>1. M/s Rajdhani Machinery Store</p> <p>His permanent account number is AAOPA0314P.</p> <p>For details of his shareholding, please see <b>“Capital Structure”</b> on page 69 of this Draft Red Herring Prospectus.</p>
	<p><b>Sayuri Arya – Non – Executive Director</b></p> <p>Sayuri Arya, aged 25 years, is one of our Promoter and is also Non – Executive Director on our Board. For further details, i.e., her date of birth, residential address, educational qualifications, experience in business or employment, business and financial activities, special achievements, positions/posts held in the past and other directorships, see <b>“Our Management –Brief profile of Directors”</b> on page 148 of this Draft Red Herring Prospectus.</p> <p><b>Other ventures of our Promoters</b> – Except as disclosed below and set out in the chapter titled <b>‘Our Management’</b>, our Promoters are not involved with any other venture, as a shareholder/ stakeholder, proprietor, partner, promoters or director.</p> <p>Her permanent account number is KQLPS4020R.</p> <p>She does not hold any share in the Company as on the date of this Draft Red Herring Prospectus.</p>

**Confirmations/Declarations:**

In relation to our Promoters, Our Company confirms that the PAN, Bank Account Numbers, Passport Number, Aadhaar Card Number and Driving License number shall be submitted to stock exchange at the time of filing of this Draft Red Herring Prospectus.

**Undertaking/ Confirmations:**

None of our Promoters or Promoter Group or Group Company or person in control of our Company has been:

- prohibited or debarred from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority or
- refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.



- No material regulatory or disciplinary action is taken by any by a stock exchange or regulatory authority in the past one year in respect of our Promoters, Group Company and Company promoted by the Promoters of our company.
- There are no defaults in respect of payment of interest and principal to the debenture / bond / fixed deposit holders, banks, FIs by our Company, our Promoters, Group Company and Company promoted by the Promoters during the past three years.
- Our Company or any of our Promoters or Group Company or Directors are not declared as 'Fraudulent Borrower' by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 01, 2016.
- The litigation record, the nature of litigation, and status of litigation of our Company, Promoters, Group Company and Company promoted by the Promoters is disclosed in chapter titled "**Outstanding Litigations and Material Developments**" beginning on page 235 of this Draft Red Herring Prospectus.
- None of our Promoters, person in control of our Company is or have ever been a promoters, directors or person in control of any other company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

#### **Change in the control of our Company**

Our Promoters are the original promoters of our Company and there has not been any change in the control of our Company in the five years immediately preceding the date of this Draft Red Herring Prospectus.

#### **Interest of our Promoters:**

##### **a) Interest in promotion and shareholding of Our Company:**

Our Promoters is interested in the promotion of our Company and also to the extent of their shareholding and shareholding of their relatives, from time to time, for which they are entitled to receive dividend payable, if any, and other distribution in respect of the Equity Shares held by them and their relatives. As on the date of this Draft Red Herring Prospectus, our Promoters, Niraj Arya, Kunal Arya, Deepak Arya and Sayuri Arya have collectively holds 1,65,27,796 Equity Shares in our Company i.e. 99.99% of the pre offer paid up Equity Share Capital of our Company. Our Promoters may also be deemed to be interested to the extent of the remuneration, as per the terms of their appointment and reimbursement of expenses payable to them. For details, please refer to "**Annexure – VIII: Restated Statement of Related Party Transaction**" beginning on page 193 of this Draft Red Herring Prospectus.

For details regarding the shareholding of our Promoters in our Company, please see "**Capital Structure**" on page 69 of this Draft Red Herring Prospectus.

##### **b) Interest in the property of Our Company:**

Our Promoters do not have any other interest in any property acquired by our Company in a period of two years before filing of this Draft Red Herring Prospectus or proposed to be acquired by us as on date of this Draft Red Herring Prospectus.

##### **c) In transactions for acquisition of land, construction of building and supply of machinery:**

None of our Promoters or Directors is interested in any transaction for the acquisition of land, construction of building or supply of machinery.

##### **d) Other Interests in our Company:**

For transactions in respect of loans and other monetary transactions entered in past please refer "**Annexure – VIII: Restated Statement of Related Party Transaction**" on page 193 forming part of "**Financial Information of the Company**" of this Draft Red Herring Prospectus.

Further, our Promoters may be interested to the extent of personal guarantees given by them in favour of the Company, for the

details of Personal Guarantee given by Promoters towards Financial facilities of our Company please refer to “*Statement of Financial Indebtedness*” and “*Financial Information of Our Company*” on page 220 and 169 respectively of this Draft Red Herring Prospectus.

**Payment or Benefits to our Promoters and Promoter Group during the last 2 years:**

For details of payments or benefits paid to our Promoters and promoter group, please refer to the paragraph “*Compensation of our Managing Director*” in the chapter titled “*Our Management*” beginning on page 148 also refer “*Annexure – VIII: Restated Statement of Related Party Transaction*” on page 193 forming part of “*Financial Information of the Company*” and Paragraph on “*Interest of Promoters*” in chapter titled “*Our Promoters and Promoter Group*” on page 163 of this Draft Red Herring Prospectus.

**Material Guarantees**

Except as stated in the “*Statement of financial indebtedness*” and “*Restated financial information*” of the company beginning on page 220 and 169 of this Draft Red Herring Prospectus respectively, our Promoters have not given any material guarantee to any third party with respect to the Equity Shares as on the date of this Draft Red Herring Prospectus.

**Companies/Firms with which our Promoters have disassociated in the last (3) three years**

None of our Promoters have disassociated themselves from any of the Company, Firms or other entities during the last three years preceding the date of this Draft Red Herring Prospectus.

**Other ventures of our Promoters**

Save and except as disclosed in this section titled “*Our Promoters & Promoter Group*” beginning on page 163 of this Draft Red Herring Prospectus, there are no ventures promoted by our Promoters in which they have any business interests/ other interests.

**Litigation details pertaining to our Promoters**

For details on litigations and disputes pending against the Promoters and defaults made by the Promoters please refer to the section titled “*Outstanding Litigations and Material Developments*” beginning on page 235 of this Draft Red Herring Prospectus.

**Experience of Promoters in the line of business**

Our Promoters, Niraj Arya, Kunal Arya, Deepak Arya have an experience of around 3 years each in the same line of Business. The Company shall also endeavor to ensure that relevant professional help is sought as and when required in the future.

**Related Party Transactions**

Except as stated in “*Annexure – VIII: Restated Statement of Related Party Transaction*” beginning on page 193 of this Draft Red Herring Prospectus, and as stated therein, our Promoters or any of the Promoter Group entities do not have any other interest in our business.

**OUR PROMOTER GROUP**

In addition to the Promoters named above, the following natural persons are part of our Promoter Group:

**1. Natural Persons who are part of the Promoter Group:**

As per Regulation 2(1)(pp)(ii) of the SEBI (ICDR) Regulations, 2018, the Natural persons who are part of the Promoter Group (due to their relationship with the Promoter) are as follows:

Relationship	Name of the Relatives			
	Niraj Arya	Kunal Arya	Deepak Arya	Sayuri Arya
Father	Late Ved Parkash Arya	Niraj Arya	Late Ved Parkash Arya	Niraj Arya
Mother	Arun Lata	Saroj Arya	Arun Lata	Saroj Arya
Spouse	Saroj Arya	Anchal Aggarwal	Priyanka Arya	-
Brother	Deepak Arya	-	Niraj Arya	Kunal Arya
	Vipin Arya	-	Vipin Arya	-
Sister	-	Sayuri Arya	-	-
Son	Kunal Arya	-	Perkrisht Arya	-
Daughter	Sayuri Arya	Gracy Arya	Ayushi Arya	-
	-	Kashvi Arya	-	-
Spouse's Father	Late Nar Singh Das	Naresh Kumar	Pritam Kumar Mittal	-
Spouse's Mother	Koishlya Devi	Komal Agarwal	Urmil Mittal	-
Spouse's Brother	Ishwar Goyal	Ankit Kumar Aggarwal	Rishabh Mittal	-
	Suresh Kumar	Rajat Aggarwal	-	-
	Ashok Kumar	-	-	-
Spouse's Sister	Meena Devi	-	Pallavi Aggarwal	-
	Kamlesh Devi	-	Megha Aggarwal	-

## 2. Corporate Entities or Firms forming part of the Promoter Group:

As per Regulation 2(1)(pp)(iv) of the SEBI (ICDR) Regulations, 2018, the following entities would form part of our Promoter Group:

S. No.	Nature of Relationship	Name of Entities
1.	Any Body Corporate in which 20% or more of the Equity Share Capital is held by Promoters or an immediate relative of the Promoters or a firm or Hindu Undivided Family (HUF) in which Promoters or any one or more of his immediate relatives are a member.	1. AVR Auto Industries Private Limited 2. Torque Innovations EV Auto Private Limited 3. Prime Seeds (I) Private Limited
2.	Any Body Corporate in which a body corporate as provided in (A) above holds twenty per cent. or more, of the equity share capital; and	-
3.	Any Hindu Undivided Family or firm in which the aggregate share of the Promoters and their relatives is equal to or more than twenty per cent. of the total capital;	<ul style="list-style-type: none"> <li>• Deepak Arya HUF</li> <li>• Neeraj Arya HUF</li> <li>• M/s Rajdhani Machinery Store</li> </ul>

## 3. Other persons included in Promoter Group:

None of other persons forms part of promoter group for the purpose of shareholding of the Promoter Group under Regulation 2(1)(pp)(v) of SEBI (ICDR) Regulations 2018.

### **DIVIDEND POLICY**

Under the Companies Act, 2013, our Company can pay dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders at the General Meeting and as per provisions of Articles of Association of our Company. The shareholders of the Company have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both.

The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. No dividend shall be payable for any financial year except out of profits of our Company for that year or that of any previous financial year or years, which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013. All Dividends upon recommendation by our Board of Directors and approved by the shareholders at the General Meeting will be paid to credit of registered shareholders by way of cheque or warrant or in any electronic mode.

Our Company does not have a formal dividend policy for declaration of dividend in respect of Equity shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

Our Company has not declared any dividend on the Equity Shares in the six months' period ended September 30, 2024 and 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. Our Company's corporate actions pertaining to payment of dividends in the past are not to be taken as being indicative of the payment of dividends by our Company in the future. For details in relation to the risk involved, please refer section titled "**Risk Factors**" on Page No. 29 of this Draft Red Herring Prospectus.

**SECTION VI FINANCIAL INFORMATION OF THE COMPANY**

**INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED FINANCIAL INFORMATION**

To,

The Board of Directors,

**Zelio E-Mobility Limited**

*(formerly known as Zelio Auto Private Limited/ Zelio E-Mobility Private Limited)*

Shop No. 542, 1st Floor, Auto Market,

Hisar – 125001, Haryana, India

Dear Sirs,

**Subject: Proposed SME Initial Public Issue of Equity Shares of Zelio E-Mobility Limited.**

1. We have examined the accompanying **Restated Financial Statements of Zelio E-Mobility Limited (the 'Company')**, which comprise the Restated Summary Statement of Assets and Liabilities as at 30<sup>th</sup> September, 2024, 31<sup>st</sup> March, 2024, 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022, the Restated Summary Statement of Profit and Loss and the Restated Summary Statement of Cash Flow for the six months period ended 30<sup>th</sup> September, 2024, years ended 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March, 2023 and the period from 15<sup>th</sup> July, 2021 to 31<sup>st</sup> March, 2022, the Statement of Significant Accounting Policies, the Notes and Annexures as forming part of these Restated Financial Statements (collectively, the "Restated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on February 17, 2025 for the purpose of inclusion in the Draft Red Herring Prospectus / Red Herring Prospectus / Prospectus ("Offer Document") prepared by the Company in connection with its proposed SME Initial Public Offer of equity shares ("SME IPO") prepared in terms of the requirements of:
  - i. Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");
  - ii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI (ICDR) Regulations"); and
  - iii. 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 (the "Guidance Note").
2. The Company's Board of Directors are responsible for the preparation of these Restated Financial Information for the purpose of inclusion in the Offer Document to be filed with Securities and Exchange Board of India, relevant stock exchanges and Registrar of Companies, Delhi in connection with the proposed SME IPO. The Restated Financial Information of the Company have been prepared by the management of the Company and approved by the Board of Directors on the basis of preparation stated in Annexure IV of the Restated Financial Information. Our responsibility is to examine the Restated Financial Information and confirm whether such Restated Financial Information comply with the requirements of the Act, SEBI (ICDR) Regulations and the Guidance Note.
3. We, S. P. Chopra & Co., Chartered Accountants, have been subject to peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid peer review certificate dated 8<sup>th</sup> August, 2024 which is valid till 31<sup>st</sup> August, 2027.
4. We have examined these Restated Financial Information taking into consideration;
  - a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 28<sup>th</sup> January, 2025 in connection with the proposed SME IPO of the Company.
  - b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
  - c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and
  - d) The requirements of Section 26 of the Act and the SEBI (ICDR) Regulations.

Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the SEBI (ICDR) Regulations and the Guidance Note in connection with the SME IPO.

5. These Restated Financial Information have been compiled by the management from the Audited Financial Statements of the Company for the six months period ended 30<sup>th</sup> September, 2024, years ended 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March, 2023 and for the period from 15<sup>th</sup> July, 2021 to 31<sup>st</sup> March, 2022 which have been approved by the Board of Directors of the Company and have been audited by its statutory auditors M/s. Murari Garg & Co., Chartered Accountants, and they have issued unmodified audit opinions thereon dated February 01, 2025, September 06, 2024, September 01, 2023 and September 03, 2022 respectively.
6. Based on our examination and according to the information and explanation given to us:
  - a. the Restated Financial Information have been prepared after incorporating adjustments for the changes in accounting policies, material error and regrouping/ reclassifications retrospectively, if any, in the period / year ended 30<sup>th</sup> September, 2024, 31<sup>st</sup> March, 2024, 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022 to reflect the same accounting treatment as per the same accounting policies and grouping/classifications for all reporting periods / years
  - b. There are no reservations, qualifications, emphasis of matter or adverse remark in the auditors' reports on the financial statements as at and for the six months period ended 30<sup>th</sup> September, 2024, years ended 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March, 2023 and the period from 15<sup>th</sup> July, 2021 to 31<sup>st</sup> March, 2022, as referred in paragraph 5 above which may require any adjustments to the Restated Financial Statements.
  - c. the Restated Financial Information have been prepared in accordance with the Act, SEBI (ICDR) Regulations and the Guidance Note.
  - d. The Restated Financial Information have been prepared after incorporating adjustments for prior period and other material amounts in the respective financial period / year to which they relate;
  - e. Extra-ordinary items that need to be disclosed separately in the accounts have been disclosed wherever required and/or considered necessary;
  - f. Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as considered necessary/appropriate and are to be read in accordance with the Significant Accounting Policies as set out in Annexure IV and Other Notes as set out in Annexure VI to the Restated Financial Statements.;
  - g. There was no change in accounting policies, which needs to be adjusted in the Restated Financial Statements;
  - h. There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Statements.
7. In accordance with the requirements of the Act including the rules made there under, SEBI (ICDR) Regulations, Guidance Note and Engagement Letter, we report that:
  - a. The “**Restated Summary Statement of Asset and Liabilities**” of the Company as at 30<sup>th</sup> September, 2024, 31<sup>st</sup> March, 2024, 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022, examined by us, as set out in **Annexure I** to this report read with significant accounting policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and are more fully described in notes to the Restated Summary Statements to this report.
  - b. The “**Restated Summary Statement of Profit and Loss**” of the Company for the six months period ended 30<sup>th</sup> September, 2024, years ended 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March, 2023 and the period from 15<sup>th</sup> July, 2021 to 31<sup>st</sup> March, 2022, examined by us, as set out in **Annexure II** to this report read with significant accounting policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and are more fully described in notes to the Restated Summary Statements to this report.
  - c. The “**Restated Summary Statement of Cash Flow**” of the Company for the six months period ended 30<sup>th</sup> September, 2024, years ended 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March, 2023 and the period from 15<sup>th</sup> July, 2021 to 31<sup>st</sup> March, 2022, examined by us, as set out in **Annexure III** to this report read with significant accounting policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company,

as in our opinion were appropriate and are more fully described in notes to the restated financial statements to this report.

8. We have also examined the following other financial information relating to the Company prepared by the management and as approved by the Board of Directors of the Company and annexed to this report for the period/year ended 30<sup>th</sup> September, 2024, 31<sup>st</sup> March, 2024, 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022 proposed to be included in the Offer Document for the proposed SME IPO.

**Annexures to Restated Financial Statements/Information of the Company:**

- a) Basis of Preparation and Significant Accounting Policies in Annexure IV of this report;
  - b) Statement of Material Adjustments to the Financial Statements in Annexure V of this report;
  - c) Other Notes to the Restated Financial Statements in Annexure VI of this report;
  - d) Restated Statement of Contingent Liabilities and Commitments in Annexure VII of this report;
  - e) Restated Statement of Related Party Transactions in Annexure VIII of this report;
  - f) Restated Statement of Mandatory Accounting Ratios in Annexure IX of this report;
  - g) Restated Statement of Capitalisation in Annexure X of this report;
  - h) Restated Statement of Tax Shelter in Annexure XI of this report;
  - i) Restated Statement of Share Capital as appearing in Note A to this report;
  - j) Restated Statement of Reserves and Surplus as appearing in Note B to this report
  - k) Restated Statement of Long Term Borrowings as appearing in Note C to this report;
  - l) Restated Principal terms of Secured Loans and Assets charged as security as appearing in Note C.2 to this report;
  - m) Restated Statement of Deferred Tax Liabilities / (Assets) (Net) as appearing in Note D to this report;
  - n) Restated Statement of Long Term Provisions as appearing in Note E to this report
  - o) Restated Statement of Short Term Borrowings as appearing in Note F to this report;
  - p) Restated Statement of Trade Payables as appearing in Note G to this report;
  - q) Restated Statement of Other Current Liabilities as appearing in Note H to this report;
  - r) Restated Statement of Short Term Provisions as appearing in Note I to this report;
  - s) Restated Statement of Property, Plant and Equipment as appearing in Note J to this report;
  - t) Restated Statement of Capital Work in Progress as appearing in Note K to this report;
  - u) Restated Statement of Other Non Current Assets as appearing in Note L to this report
  - v) Restated Statement of Inventories as appearing in Note M to this report;
  - w) Restated Statement of Trade Receivables as appearing in Note N to this report;
  - x) Restated Statement of Cash and Cash Equivalents as appearing in Note O to this report;
  - y) Restated Statement of Short Term Loans and Advances as appearing in Note P to this report;
  - z) Restated Statement of Revenue from Operations as appearing in Note Q to this report;
  - aa) Restated Statement of Other Income as appearing in Note R to this report;
  - bb) Restated Statement of Cost of Material Consumed as appearing in Note S to this report;
  - cc) Restated Statement of Direct Expenses as appearing in Note T to this report;
  - dd) Restated Statement of Change in Inventories of Finished Goods as appearing in Note U to this report;
  - ee) Restated Statement of Employee Benefit Expenses as appearing in Note V to this report;
  - ff) Restated Statement of Finance Costs as appearing in Note W to this report;
  - gg) Restated Statement of Depreciation and Amortization Expenses as appearing in Note X to this report;
  - hh) Restated Statement of Other Expenses as appearing in Note Y to this report;
  - ii) Restated Ageing of Trade Payables as appearing in Note ZA to this report;
  - jj) Restated Ageing of Trade Receivables as appearing in Note ZB to this report;
  - kk) Restated Statement of Accounting Ratios as appearing in Note ZC to this report;
9. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited financial statements mentioned in paragraph 5 above.
10. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us or other auditors, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
12. Our report is intended solely for use of the Board of Directors for inclusion in the Offer Document to be filed with Securities and

Exchange Board of India, relevant stock exchange and Registrar of Companies, Delhi in connection with the proposed SME IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

13. In our opinion, the above financial information contained in **Annexure I, Annexure II and Annexure III** to this report read with the respective Significant Accounting Policies as set out in **Annexure IV** and Other Notes to the Restated Financial Statements as set out in **Annexure VI** are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, SEBI (ICDR) Regulations, Engagement Letter and Guidance Note and give a true and fair view in conformity with the accounting principles generally accepted in India, to the extent applicable.

**For S. P. Chopra & Co.**  
Chartered Accountants  
Firm Regn. No. 000346N

Sd/-  
**(Pawan K. Gupta)**  
Partner  
M. No. 092529  
UDIN: 25092529BMNZKC8074

Place: Hisar  
Date: February 17, 2025



**ZELIO E-MOBILITY LIMITED**

(Formerly Zelio E-Mobility Private Limited / Zelio Auto Private Limited)

(Figures in Rs. Lakhs, unless stated otherwise)

**ANNEXURE - I - RESTATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES**

Particulars	Notes	As at			
		30th September, 2024	31st March, 2024	31st March, 2023	31st March, 2022
<b>I. EQUITY AND LIABILITIES</b>					
<b>Shareholders' funds</b>					
(a) Share capital	A	3.00	3.00	3.00	3.00
(b) Reserves and surplus	B	1,768.15	1,063.55	432.67	127.14
(c) Money Received against Share Warrants		-	-	-	-
		<b>1,771.15</b>	<b>1,066.55</b>	<b>435.67</b>	<b>130.14</b>
<b>Share application money pending allotment</b>					
		-	-	-	-
<b>Non-current liabilities</b>					
(a) Long-term borrowings	C	746.93	619.50	382.00	149.44
(b) Deferred tax liabilities (Net)	D	-	2.89	-	-
(c) Other Long-Term liabilities		-	-	-	-
(d) Long-term provisions	E	8.24	4.24	1.96	0.60
		<b>755.17</b>	<b>626.63</b>	<b>383.96</b>	<b>150.04</b>
<b>Current liabilities</b>					
(a) Short-term borrowings	F	1,450.12	791.09	576.58	223.82
(b) Trade payables					
(A) Total outstanding dues of micro enterprises and small enterprises;	G	187.02	7.30	7.28	0.73
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises.		725.42	268.49	78.22	169.27
(c) Other current liabilities	H	375.38	115.86	52.14	182.39
(d) Short-term provisions	I	124.49	31.86	13.00	0.22
<b>Total</b>		<b>2,862.43</b>	<b>1,214.60</b>	<b>727.22</b>	<b>576.43</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>5,388.75</b>	<b>2,907.78</b>	<b>1,546.85</b>	<b>856.61</b>
<b>II. ASSETS</b>					
<b>Non-current assets</b>					
(a) Property, Plant and Equipment and Intangible Assets	J				
(i) Property, Plant and Equipment		852.31	766.00	91.11	46.92
(ii) Intangible Assets		-	-	-	-
(iii) Capital Work in Progress	K	118.78	103.55	372.00	-
(iv) Intangible Assets under development		-	-	-	-
(b) Non- Current Investment		-	-	-	-
(c) Deferred tax assets (Net)	D	5.44	-	1.26	0.23
(d) Long-Term Loans and Advances		-	-	-	-
(e) Other non-current assets	L	269.60	1.54	-	1.20
		<b>1,246.13</b>	<b>871.09</b>	<b>464.37</b>	<b>48.35</b>
<b>Current assets</b>					
(a) Inventories	M	3,032.67	1,352.11	648.73	580.86

**ZELIO E-MOBILITY LIMITED****(Formerly Zelio E-Mobility Private Limited / Zelio Auto Private Limited)***(Figures in Rs. Lakhs, unless stated otherwise)*

Particulars	Notes	As at			
		30th September, 2024	31st March, 2024	31st March, 2023	31st March, 2022
(b) Trade receivables	N	134.59	160.88	98.32	26.37
(c) Cash and cash equivalents	O	12.66	5.24	9.95	2.74
(d) Short-term loans and advances	P	962.70	518.46	325.48	198.29
<b>Total</b>		<b>4,142.62</b>	<b>2,036.69</b>	<b>1,082.48</b>	<b>808.26</b>
<b>TOTAL ASSETS</b>		<b>5,388.75</b>	<b>2,907.78</b>	<b>1,546.85</b>	<b>856.61</b>

**For M/s. S.P. Chopra & Co.****For and on behalf of the Board of Directors**

Chartered Accountants

For **Zelio E-Mobility Limited**

(FRN. 000346N)

Sd/-

Sd/-

Sd/-

**Pawan K. Gupta****Niraj Arya****Kunal Arya**

(M.No. 092529)

Chairman and Whole-time Director

Managing Director

Partner

DIN:09241628

DIN: 09241630

**Place : Hisar****Date : February 17, 2025**

**ZELIO E-MOBILITY LIMITED**

(Formerly Zelio E-Mobility Private Limited / Zelio Auto Private Limited)

(Figures in Rs. Lakhs, unless stated otherwise)

**ANNEXURE - II - RESTATED SUMMARY STATEMENT OF PROFIT AND LOSS**

Particulars	Notes	Period ended 30th September, 2024	Year ended 31st March, 2024	Year ended 31st March, 2023	Period from 15th July, 2021 to 31st March, 2022
<b>INCOME</b>					
Revenue from operations	Q	7527.98	9442.50	5125.07	1289.32
Other income	R	75.92	47.33	37.23	13.18
<b>Total income</b>		<b>7603.90</b>	<b>9489.83</b>	<b>5162.30</b>	<b>1302.50</b>
<b>EXPENSES</b>					
Cost of material consumed	S	5900.27	7629.67	4286.30	900.08
Direct expenses	T	185.73	231.23	134.44	122.09
Changes in inventories of finished goods	U	(84.21)	62.96	(48.54)	(38.90)
Employee benefit expenses	V	250.43	308.92	182.61	78.40
Finance costs	W	88.30	102.74	48.56	11.45
Depreciation and amortization expenses	X	64.82	57.94	21.19	2.47
Other expenses	Y	347.18	334.19	168.35	73.40
<b>Total expenses</b>		<b>6752.52</b>	<b>8727.65</b>	<b>4792.91</b>	<b>1148.99</b>
<b>Profit Before Exceptional &amp; Extraordinary items &amp; Tax</b>		<b>851.38</b>	<b>762.18</b>	<b>369.39</b>	<b>153.51</b>
Exceptional / Extraordinary Items		-	-	-	-
<b>Profit Before Tax</b>		<b>851.38</b>	<b>762.18</b>	<b>369.39</b>	<b>153.51</b>
<b>Tax expenses</b>					
- Current Tax		155.12	127.15	64.89	26.60
- Deferred Tax		(8.34)	4.15	(1.03)	(0.23)
		<b>146.78</b>	<b>131.30</b>	<b>63.86</b>	<b>26.37</b>
<b>Profit After Tax</b>		<b>704.60</b>	<b>630.88</b>	<b>305.53</b>	<b>127.14</b>
<b>Earning Per Equity Share (Note 1 of Annexure -VI)</b>					
Basic (Rs.)		4.26	3.82	1.85	0.77
Diluted (Rs.)		4.26	3.82	1.85	0.77

For M/s. S.P. Chopra &amp; Co.

Chartered Accountants

(FRN. 000346N)

Sd/-

**Pawan K. Gupta**

(M.No. 092529)

Partner

Place : Hisar

Date : February 17, 2025

For and on behalf of the Board of Directors

For **Zelio E-Mobility Limited**

Sd/-

**Niraj Arya**

Chairman and Whole-time Director

DIN:09241628

Sd/-

**Kunal Arya**

Managing Director

DIN: 09241630

**ZELIO E-MOBILITY LIMITED**

(Formerly Zelio E-Mobility Private Limited / Zelio Auto Private Limited)

(Figures in Rs. Lakhs, unless stated otherwise)

**ANNEXURE - III - RESTATED SUMMARY STATEMENT OF CASH FLOW**

	Particulars	Period ended 30th September, 2024	Year ended 31st March, 2024	Year ended 31st March, 2023	Period from 15th July, 2021 to 31st March, 2022
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
	Profit Before Tax	851.38	762.18	369.39	153.51
	<b>Adjustment for:</b>				
	Finance Cost	88.30	102.74	48.56	11.45
	Depreciation	64.82	57.94	21.19	2.47
	Gratuity Provision	4.14	2.28	1.36	0.61
	Provision for CSR Expenses	4.30	-	-	-
	Provision for Warranty Expenses	30.11	-	-	-
	Interest Income on FDR	(0.09)	(0.03)	(0.01)	(0.01)
	Loss due to theft	3.72	-	-	-
	<b>Operating Profit Before Increase/Decrease in Asset &amp; Liability</b>	1046.68	925.11	440.49	168.03
	(Increase)/Decrease in Inventories	(1684.29)	(703.38)	(67.88)	(580.86)
	(Increase)/Decrease in Trade Receivable	26.29	(62.56)	(71.96)	(26.37)
	(Increase)/Decrease in Short Term Loans and Advances	(444.24)	(192.98)	(127.17)	(198.29)
	(Increase)/Decrease in Other Non - Current Asset	(268.07)	(1.54)	1.20	(1.20)
	Increase/(Decrease) in Trade Payables	636.65	190.28	(84.49)	170.00
	Increase/(Decrease) in Short Term Provisions	31.13	-	-	-
	Increase/(Decrease) in other current liabilities	259.52	63.72	(130.25)	182.39
	<b>Cash Generated from Operations</b>	<b>(396.32)</b>	<b>218.65</b>	<b>(40.06)</b>	<b>(286.30)</b>
	Direct taxes paid	(128.16)	(108.29)	(52.11)	(26.39)
	<b>Net Cash from Operating Activities: (A)</b>	<b>(524.48)</b>	<b>110.36</b>	<b>(92.17)</b>	<b>(312.69)</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>				
	Purchase of Property, Plant and Equipment	(166.36)	(464.38)	(437.39)	(49.39)
	Interest Income on FDR	0.09	0.03	0.01	0.01
	<b>Net Cash from Investing Activities: (B)</b>	<b>(166.27)</b>	<b>(464.35)</b>	<b>(437.38)</b>	<b>(49.38)</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
	Proceeds from share capital	-	-	-	3.00
	Proceeds from Secured Long Term Borrowing	217.19	332.99	313.00	24.00
	Repayment of Secured Long Term Borrowing	(71.59)	(87.65)	(52.63)	
	Proceeds from Unsecured Long-Term Borrowing	15.63	46.70	29.19	133.21
	Repayment of Unsecured Long-Term Borrowing	(12.69)	(22.10)	(4.00)	(2.85)
	Proceeds/(Repayment) from Short Term Borrowings	637.93	182.08	299.76	218.90
	Finance Charges Paid	(88.30)	(102.74)	(48.56)	(11.45)
	<b>Net Cash from Financing Activities: (C)</b>	<b>698.17</b>	<b>349.28</b>	<b>536.76</b>	<b>364.81</b>
	<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS DURING THE YEAR (A) + (B) + (C)</b>	<b>7.42</b>	<b>(4.71)</b>	<b>7.21</b>	<b>2.74</b>
	Opening Cash and cash equivalents	5.24	9.95	2.74	-
	Closing Cash and cash equivalents	12.66	5.24	9.95	2.74
	<b>Net Cash Flow</b>	<b>7.42</b>	<b>(4.71)</b>	<b>7.21</b>	<b>2.74</b>

**ZELIO E-MOBILITY LIMITED****(Formerly Zelio E-Mobility Private Limited / Zelio Auto Private Limited)***(Figures in Rs. Lakhs, unless stated otherwise)*

	<b>Particulars</b>	<b>As at 30th September, 2024</b>	<b>As at 31st March, 2024</b>	<b>As at 31st March, 2023</b>	<b>As at 31st March, 2022</b>
	<b>Cash and Cash Equivalents Includes:</b>				
a.	Balances with current account	0.08	0.97	3.57	0.22
b.	Cash in hand	7.46	1.23	6.12	2.26
c.	Fixed Deposits with Banks	5.12	3.04	0.26	0.26
	<b>TOTAL</b>	<b>12.66</b>	<b>5.24</b>	<b>9.95</b>	<b>2.74</b>

**For M/s. S.P. Chopra & Co.**

Chartered Accountants

(FRN. 000346N)

Sd/-

**Pawan K. Gupta**

(M.No. 092529)

Partner

**Place : Hisar****Date : February 17, 2025****For and on behalf of the Board of Directors****For Zelio E-Mobility Limited**

Sd/-

**Niraj Arya**

Chairman and Whole-time Director

DIN:09241628

Sd/-

**Kunal Arya**

Managing Director

DIN: 09241630

## **ZELIO E-MOBILITY LIMITED**

**(Formerly Zelio E-Mobility Private Limited / Zelio Auto Private Limited)**

*(Figures in Rs. Lakhs, unless stated otherwise)*

### **Annexure IV: Basis of Preparation and Significant Accounting Polices of the Restated Financial Statements for the period ended 30<sup>th</sup> September, 2024, years ended 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March, 2023 and the period from 15<sup>th</sup> July, 2021 to 31<sup>st</sup> March, 2022.**

#### **1. General Information / Company Overview**

Our Company was originally incorporated as a private limited Company in the name of “Zelio Auto Private Limited” under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated on July 15, 2021 issued by the Registrar of Companies, Central Registration Centre, bearing CIN: U34102HR2021PTC096362. Further, pursuant to Special Resolution passed by the shareholders at the Extra Ordinary General Meeting held on October 25, 2024, the name of our Company was changed from “Zelio Auto Private Limited” to “Zelio E-Mobility Private Limited” and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Central Registration Centre vide letter dated November 21, 2024. Subsequently, our Company was converted into a Public Limited Company vide Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting, held on November 22, 2024 and consequently the name of our Company was changed from “Zelio E-Mobility Private Limited” to “Zelio E-Mobility Limited” vide a fresh certificate of incorporation consequent upon conversion from Private Limited Company to Public Limited Company dated November 29, 2024 issued by the Registrar of Companies, Central Processing Centre. Our Company’s Corporate Identity Number is U34102HR2021PLC096362.

It is primarily engaged in the business of manufacturing and assembling of Electric Automobiles viz. Electric Scooter and Electric Rickshaw.

#### **2. Basis of Preparation and Use of Estimate for Restated Summary Financial Information**

##### **i. Basis of Preparation of Financial Statements**

The Restated Financial Statements of Zelio E-Mobility Limited comprises of the Restated Statement of Assets and Liabilities (Annexure I) of the Company as at 30<sup>th</sup> September, 2024, 31<sup>st</sup> March, 2024, 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022 and the Restated Statement of Profit and Loss (Annexure II) and Restated Statement of Cash Flows (Annexure III) for the period ended 30<sup>th</sup> September, 2024, years ended 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March, 2023 and the period from 15<sup>th</sup> July, 2021 to 31<sup>st</sup> March, 2022 (collectively referred to as the ‘Restated Financial Statements’) as approved by the Board of Directors of the Company, have been prepared in connection with its proposed SME Initial Public Offer of equity shares (“SME IPO”), in terms of the requirements of:

- a) Section 26 of Part I of Chapter III of the Companies Act, 2013 as amended (the “Act”);
- b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”); and
- c) 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 (the “Guidance Note”).

The Restated Financial Statements have been prepared by applying adjustments as considered necessary / appropriate keeping in view the materiality concept to:

- a. the financial statements of the Company for the year / period ended 31st March, 2024, 31st March, 2023 and 31st March, 2022 were prepared and presented in accordance with the Generally Accepted Accounting Principles (“GAAP”) in India, on a going concern basis under the historical cost convention, on accrual basis and in accordance with the applicable accounting standards issued by the Institute of Chartered Accountants of India (ICAI) and specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, and Companies (Accounting Standards) Rules, 2021, as amended. These financial statements have been audited by M/s Murari Garg & Co. and on which they have issued unmodified opinion dated 6<sup>th</sup> September 2024, 1<sup>st</sup> September 2023 and 3<sup>rd</sup> September 2022 respectively.

## **ZELIO E-MOBILITY LIMITED**

**(Formerly Zelio E-Mobility Private Limited / Zelio Auto Private Limited)**

*(Figures in Rs. Lakhs, unless stated otherwise)*

- b. the interim financial statements for period ended 30th September, 2024 prepared and presented in accordance with the Generally Accepted Accounting Principles (“GAAP”) in India, on a going concern basis under the historical cost convention, on accrual basis and in accordance with the Accounting Standard (AS) 25, Interim Financial Reporting and other accounting standards issued by the Institute of Chartered Accountants of India (ICAI) and specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, and Companies (Accounting Standards) Rules, 2021, as amended. These financial statements have been audited by M/s Murari Garg & Co. and on which they have issued unmodified opinion dated February 1, 2025.

The summary / detail of adjustments made to the above audited financial statements for the respective year / period while preparing the Restated Financial Statements and its impact on the profit of the Company is given in **Annexure – V: Material Adjustments to the Financial Statements**.

The accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision in the existing accounting standards require a change in the accounting policy.

The functional and presentation currency of the Company is Indian Rupees (“INR”) which is the currency of the primary economic in which the Company operates.

Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as “0” (Zero) in the relevant notes to Restated financial statements.

### ii. Use of estimates

The preparation of financial statements in conformity with GAAP in India requires the management to make estimates, judgements and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent liabilities at the date of financial statements, and the reported amount of revenues and expenses during the reporting period. The judgements, estimates and assumptions used in the accompanying Restated Financial Statements are based upon the Management’s evaluation of the relevant facts and circumstances as at the date of the Restated Financial Statements. Actual results could differ from these estimates. On an ongoing basis, estimates are evaluated based on historical experience and on various other assumptions that are believed to be reasonable, the results of which forms the basis for making judgments about the carrying value of assets and liabilities. Estimates and underlying assumptions are reviewed on a year basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected. Any revision to estimates or difference between the actual result and estimates are recognized in the period in which the results are known / materialized.

## **3. Significant accounting policies**

### **1. Revenue recognition**

- a) Revenue from sale of goods is recognized when the control of the goods is transferred to the customer, which is generally on the delivery of the goods, the associated costs and the amount of revenue can be measured reliably and it is probable that the economic benefit associated with the transaction will flow to the Company. It is measured at fair value of the consideration received or receivable, after deduction of sales returns, trade discount, volume rebates and goods and service tax collected on behalf of the government.
- b) Revenue from rendering of services is recognized when the performance of agreed contractual task has been completed.
- c) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.
- d) Other income/revenue is recognized to the extent that it is probable that the economic benefit will flow to the Company and it can be reliably measured.

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### **2. Property, plant and equipment**

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation and impairment losses, if any. Cost comprises its purchase price and any attributable cost, including freight, duties, levies and direct incidental expenses, of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. Borrowing costs relating to acquisition of qualifying assets are also included to the extent they relate to the period till such assets are ready to be put to use. Expenditure on renovation/ modernization relating to existing assets is added to the cost of such assets where it increases its performance / life significantly.

Subsequent costs are added to the existing asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred.

Depreciation is provided on a written down value basis over the estimated useful life of the property, plant and equipment in the manner prescribed under Schedule II to the Companies Act 2013. Depreciation on addition or on sale/discard of a property, plant and equipment is calculated pro-rata from / up to the date of such addition or sale/discard as the case may be.

Gains or losses arising on retirement or disposal of property, plant and equipment are recognized in the Statement of Profit and Loss.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress".

### **3. Inventories**

Raw materials and accessories etc. are valued at lower of cost and net realisable value. Cost includes purchase price, (excluding those subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. In determining the cost, First In First Out (FIFO) method is used.

Finished goods and Work in progress are valued at the lower of cost and net realisable value. Cost of finished goods and work in progress comprises direct material, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

### **4. Employee benefits**

- i. Liability towards Gratuity is considered as the defined benefit scheme and is recognized on the basis of actuarial valuation on projected unit credit method at the balance sheet date.
- ii. The benefits in the form of contribution to Provident Fund and Employee State Insurance are considered as the defined contribution schemes and are recognized on the basis of the amount paid or payable for the period during which services are rendered by the employees.

### **5. Foreign currency transactions**

- a) Initial recognition: Foreign currency transactions, are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the time of the transaction.



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- b) Conversion: Foreign currency monetary items are reported using the exchange rate prevailing on the reporting date, if any.
- c) Exchange differences: Exchange differences arising on the settlement of monetary items or on restatement of monetary items on reporting date at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items are recognized as income or as expenses in the year in which they arise.

### **6. Provision, Contingent Liabilities and Contingent assets**

The Company creates a provision when there is a present obligation arising as result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation, at the balance sheet date and are not discounted to its present value.

A disclosure for a contingent liability is made when there is a present obligation arising as a result of past event that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

Contingent assets are neither recognized nor disclosed in the restated financial statements.

All events occurring after the balance sheet date that require disclosure will be included in the notes to the financial statements, including:

- Adjusting events that require adjustments to the financial statements.
- Non-adjusting events that are material to the understanding of the financial statements.

### **7. Cash and cash equivalents**

Cash and cash equivalents include cash in hand, cheques, draft on hand/remittance in transit, bank balances and deposits with original maturities of three months or less and that are readily convertible to known amount of cash and cash equivalents and which are subject to an insignificant risk of changes in value.

### **8. Borrowing Costs**

Borrowing costs, which are directly attributable to the acquisition or construction of a qualifying asset till the time such assets are ready for intended use, are capitalized as a part of the cost of the assets. Other borrowing costs are recognized as an expense in the period in which they are incurred.

### **9. Impairment of non-current assets**

The Company periodically assesses, using external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any impairment) had no impairment loss been recognized for the asset in prior years.

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### **10. Taxation**

The accounting treatment for the Income Tax in respect of the Company's income is based on the Accounting Standard on 'Accounting for Taxes on Income' (AS-22). Income tax expenses for the year comprises of current tax and deferred tax.

Current income tax, assets and liabilities are measured at the amount expected to be paid to or recoverable from the taxation authorities in accordance with the tax regime inserted by the Taxation Laws (Amendment) Act, 2019 in the Income Tax Act, 1961, and the Income Computation and Disclosure Standards (ICDS) enacted in India, by using tax rates and the tax laws that are enacted at the reporting date.

Deferred Tax resulting from "timing differences" between taxable and accounting income is accounted for using the tax rates and laws that have been substantially enacted as of the balance sheet date. The carrying amount of deferred tax asset / liability is reviewed at each Balance Sheet date and consequential adjustments are carried out.

Deferred tax assets arising from timing differences are recognized to the extent there is reasonable certainty that these would be realized in future.

### **11. Government grants and subsidies**

Government grants and subsidies are recognized when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants / subsidy will be received. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognized as income over the life of a depreciable asset by way of a reduced depreciation charge.

When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate.

### **12. Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares). For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

### **13. Leases**

The Company has taken Warehouse on lease and classified as an Operating lease and lease rentals are recognized in profit of loss account as per lease terms.

### **14. Related Party Transactions**

Related parties as defined under Accounting Standard - 18 'Related Party Disclosures' have been identified based on representations made by management and information available with the Company. All transactions with related parties are in the ordinary course of business and on arms' length basis.

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### **15. Segment Reporting**

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

#### **Allocation of common costs**

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

#### **Unallocated items**

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

#### **Segment accounting policies**

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

### **4. CHANGES IN ACCOUNTING POLICIES IN THE YEARS COVERED IN THE RESTATED FINANCIALS**

There was no change in accounting policies, which needs to be adjusted in the Restated Financial Statements.

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**ANNEXURE - V – STATEMENT OF MATERIAL ADJUSTMENTS TO THE FINANCIAL STATEMENTS****1. Statement of Reserves and Surplus**

Particulars	For the period / year ended			
	30 <sup>th</sup> September, 2024	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
<b>Reserves and Surplus as per audited accounts but before adjustments for restated accounts</b>	<b>1,768.15</b>	<b>1,066.19</b>	<b>434.30</b>	<b>127.65</b>
Add/ (Less): Cumulative Adjustments made in the Statement of Profit and Loss during the restated period	-	(2.64)	(1.63)	(0.51)
Total Net Adjustment in the Profit and Loss Account	-	<b>(2.64)</b>	<b>(1.63)</b>	<b>(0.51)</b>
<b>Reserves and Surplus as per Restated Financial statements</b>	<b>1768.15</b>	<b>1063.55</b>	<b>432.67</b>	<b>127.14</b>

2. The summary of results of restatement / adjustments made in the audited financial statements for the respective year / period and its impact on the Restated profit of the Company is as follows:

Particulars	For the period / year ended			
	30 <sup>th</sup> September, 2024	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023	from 15 <sup>th</sup> July, 2021 to 31 <sup>st</sup> March, 2022
<b>(A) Net profit before tax as per audited financial statements</b>	<b>848.19</b>	<b>763.40</b>	<b>370.75</b>	<b>154.12</b>
<b>(B) Material amounts related to adjustments for previous period / year:</b>				
Add/(Less): Provision for Gratuity – Employee Benefit (Refer para 3.a below)	4.25	(2.28)	(1.36)	(0.61)
Add/(Less): Prepaid Expenses – (Refer para 3.b below)	(1.06)	1.06	-	-
<b>(C) Net Restated profit before Tax Adjustments (A+B)</b>	<b>851.38</b>	<b>762.18</b>	<b>369.39</b>	<b>153.51</b>
<b>(D) Tax Implications / Adjustments</b>				
Less: Restated Current tax implications – (Refer para 3.c below)	155.12	127.15	64.89	26.60
Add/(less): Restated Deferred tax implications / adjustments - (Refer para 3.d below)	8.34	(4.15)	1.03	0.23
<b>Restated profit for the period / year after tax (A+B+D) – As per Restated Summary Statement of Profit and Loss</b>	<b>704.60</b>	<b>630.88</b>	<b>305.53</b>	<b>127.14</b>

Note:

As the Company was incorporated on 15<sup>th</sup> July, 2021, no restatement is required / applicable in the audited opening balance of net surplus/deficit of the period ended 31<sup>st</sup> March, 2022.

**3. Notes on Material Adjustments pertaining to prior period / years****a) Provision towards Gratuity**

Provision towards Gratuity, a defined benefit scheme has been accounted / provided for all the periods / years as per Actuarial Valuations Reports in the respective period / year in which such liability has arisen as per AS 15: Employee Benefits.

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### **b) Prepaid Expenses**

Some Expenses for which prepaid was required to be made in earlier years, During the process of restatement of financial statement, these prepaid was adjusted to the period for which it was actually required.

### **c) Current tax impact on adjustments / Earlier year/s**

There is a tax implication of the adjustment / restatement made in the respective period / year for prepaid insurance made in the restated financial statements

### **d) Deferred tax impact on adjustments / Earlier year/s**

The deferred tax implication on the adjustment / restatement has been adjusted in the profit of the respective year while preparing the Restated Summary Statement of Profit and Loss.

## **4. Material re-groupings**

Appropriate adjustments have been made while preparing the Restated Financial Statement / Information, wherever required / necessary and considered material, by 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 audited financial statements of the Company as at and for the period ended 30th September, 2024, prepared in accordance with Schedule III of the Act and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018 (as amended). Accordingly, the Company has presented the Restated Financial Statement / Information as at and for the period ended 30th September, 2024 and period / years ended 31st March, 2024, 31st March, 2023 and 31st March, 2022 following the requirements of Schedule III of the Act.

As the Company was incorporated on 15th July, 2021, no restatement is required / applicable in the audited opening balance of net surplus/deficit of the period ended 31st March, 2022.

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**ANNEXURE – VI: OTHER NOTES TO THE RESTATED FINANCIAL STATEMENTS FOR THE PERIOD / YEAR ENDED 30<sup>th</sup> SEPTEMBER, 2024, 31<sup>st</sup> MARCH, 2024, 31<sup>st</sup> MARCH, 2023 AND 31<sup>st</sup> MARCH, 2022.****1. Earnings Per Share**

Particulars	For the period / year ended			
	30 <sup>th</sup> September, 2024	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
<b>Restated Profit as per Restated Statement of Profit and Loss</b>	<b>704.60</b>	<b>630.88</b>	<b>305.53</b>	<b>127.14</b>
Basic/Diluted weighted average number of equity shares outstanding during the six months / year	1,65,30,000	1,65,30,000	1,65,30,000	1,65,30,000
Nominal value of Equity Share (Rs.)	10	10	10	10
<b>Restated Basic / Diluted Earnings per Share (Rs.)</b>	<b>4.26</b>	<b>3.82</b>	<b>1.85</b>	<b>0.77</b>

**2. Employee Benefits****a) Defined Benefit Scheme:**

Gratuity: Payable on separation as per the Employees Gratuity Act @ 15 days pay for each completed year of service to eligible employees who render continuous service of 5 years or more.

**b) Defined Contribution Scheme**

Company's employees are covered by Provident Fund, Employees State Insurance etc. to which the Company makes a defined contribution measured as a fixed percentage of salary. Following amount in respective period / year has been charged to the Restated Statement of Profit and Loss towards contribution to above schemes/benefits.

Particulars	For the period / year ended			
	30 <sup>th</sup> September, 2024	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Contribution to provident, ESI and other funds etc.	2.95	2.62	1.82	0.43

**c) Other disclosures as required under AS-15 (Revised 2005) on "Employee Benefits" are as under: -****(i) Change in present value of obligation:**

Particulars	As at 30 <sup>th</sup> September, 2024	As at 31 <sup>st</sup> March,		
		2024	2023	2022
<b>Present Value of obligation at the beginning of period / year</b>	<b>4.25</b>	<b>1.97</b>	<b>0.61</b>	<b>-</b>
Interest cost	0.15	0.14	0.04	-
Current Service Cost	2.86	2.29	1.60	0.61
Net actuarial (Gain) / Loss on obligation	1.13	(0.15)	(0.28)	-
<b>Present value of the defined benefit at the end of period / year</b>	<b>8.39</b>	<b>4.25</b>	<b>1.97</b>	<b>0.61</b>

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**(ii) Expense recognized in the Statement of Profit and Loss.**

Particulars	For the period / year ended			
	30 <sup>th</sup> September, 2024	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Current Service Cost	2.86	2.29	1.60	0.61
Interest cost on benefit obligation	0.15	0.14	0.04	-
Net actuarial (Gain) / Loss	1.13	(0.15)	(0.28)	-
<b>Amount recognised in Statement of Profit and Loss</b>	<b>4.14</b>	<b>2.28</b>	<b>1.36</b>	<b>0.61</b>

**(iii) Disclosure as required by paragraph 120(n) of AS-15.**

Particulars	As at			
	30 <sup>th</sup> September, 2024	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Present Value of obligation at the end of period / year	8.39	4.25	1.97	0.61
Fair Value of Plan assets at the end of period / year	-	-	-	-
Difference i.e. Liabilities	8.39	4.25	1.97	0.61
Net Liability recognized in the Balance Sheet	8.39	4.25	1.97	0.61
<b>Experience Adjustment arising on:</b>				
(a) The Plan Liabilities / PVO	1.02	(0.15)	(0.28)	-
(b) The Plan Assets	N.A. as there are no plan assets			

**(iv) Actuarial Assumptions:**

Principal assumptions used for actuarial valuation are:

Particulars	For the period / year ended			
	30 <sup>th</sup> September, 2024	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Method used	Projected Unit Credit (PUC)			
Discount rate	7.00 % per annum	7.25 % per annum		
Salary Escalation	5.00 % per annum	5.00 % per annum		
Mortality Rate	IALM 2012-14	IALM 2012-14		
Attrition / Withdrawal rate (per Annum)	10.00% p.a.	10.00% p.a.		
Rate of return on plan assets	N.A., as there are no plan assets			

**3. Value of Imports on CIF basis**

Particulars	For the period / year ended			
	30 <sup>th</sup> September, 2024	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Raw materials	5,787.35	4,927.63	2,327.65	1,015.86
Plant and Machinery /Equipment	30.09	3.83	51.23	-
<b>Total</b>	<b>5,817.44</b>	<b>4,931.46</b>	<b>2,378.88</b>	<b>1,015.86</b>

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**4. Earnings in Foreign Exchange**

Particulars	For the period / year ended			
	30 <sup>th</sup> September, 2024	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Export of Goods calculated on FOB basis	NIL	NIL	NIL	NIL
<b>Total</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>

**5. Expenditure in Foreign Exchange during the period/ year on account of royalty, know-how, professional and consultation fees, interest and other matters:**

Particulars	For the period / year ended			
	30 <sup>th</sup> September, 2024	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
NIL				

**6. Amounts remitted in foreign currency during the year on account of dividend**

Particulars	Six month ended 30 <sup>th</sup> September, 2024	2023-24	2022-23	2021-22
NIL				

**7. Foreign Exchange exposure as on year-end are as under:**

Particulars	Six month ended 30 <sup>th</sup> September, 2024	2023-24	2022-23	2021-22
Trade Payables	380.06	-	-	-
Advance to vendor	295.83	210.89	117.78	96.07

**8. Segment Reporting**

The Company is engaged in the manufacturing of the products of same type/class and has no overseas operations/units and as such there is no reportable segment as per Accounting Standard (AS-17) dealing with the segment reporting.

**9. Corporate Social Responsibility**

As per Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed by the Company. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation and rural development projects. The contributions towards CSR were on the activities which are specified in Schedule VII of the Companies Act, 2013. The detail of the amount spent during the year is as under:

Particulars	Period ended 30 <sup>th</sup> September, 2024
Amount lying pending / shortfall for the earlier year/s	Not Applicable in earlier period / year
Amount required to be incurred during the period	4.30
Amount incurred during the period:	NIL
Amount lying pending / shortfall as at period end to be completed within upcoming period.	4.30
Reasons for Amount lying pending / shortfall	NA



**ZELIO E-MOBILITY LIMITED****(Formerly Zelio E-Mobility Private Limited / Zelio Auto Private Limited)***(Figures in Rs. Lakhs, unless stated otherwise)***10. Impact of Audit Qualifications / Observations in Statutory Auditor's Report on Financial Statements.**

There have been no audit qualifications / observations in Statutory Auditor's Report for the financial period / year ended 30<sup>th</sup> September, 2024, 31<sup>st</sup> March, 2024, 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022 which requires adjustments in restated financial statements.

11. The Company has taken various properties under cancellable operating leases / rent. The lease agreements are normally renewed on expiry. There are no restrictions placed upon the Company by entering into these leases and there are no subleases. Rental payments are shown as 'Rent' under Note Y to the restated financial statements.

There are no non-cancellable leases entered into by the Company.

**12. Disclosure related to Micro, Small and Medium Enterprises:**

The Company has made payments of dues to Micro, Small and Medium enterprises generally within stipulated period of 45 days as prescribed under Micro, small and Medium Enterprises Development Act.

The details relating to Micro, Small and medium enterprise disclosed as under:

<b>Particulars</b>	<b>Period ended 30<sup>th</sup> September, 2024</b>	<b>2023-24</b>	<b>2022-23</b>	<b>2021-22</b>
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year	187.02	7.30	7.28	0.73
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-	-
<b>TOTAL</b>	<b>187.02</b>	<b>7.30</b>	<b>7.28</b>	<b>0.73</b>

**13. Other notes:**

- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The company has not revalued its property, plant and equipment.
- The Company has not been declared willful defaulter by any bank or financial Institution or other lender.

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- d) The Company does not have any transactions with struck off companies.
- e) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- f) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial period / year.
- g) The Company does not use derivative financial instruments such as forward exchange contracts or options to hedge its risks associated with foreign currency fluctuations or for trading/speculation purpose.
- h) The Company has no any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- i) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- j) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
  - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- k) Number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017, is not applicable on the company.
- l) There are no proposed or arrears of dividend to be distributed to equity or preference shareholders for the period.
- m) In opinion of board, none of the assets other than property, plant and equipment, Intangible assets and non-current investments which have a value on realization in the ordinary course of business less than the amount at which they are stated.
- n) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- o) Normal Operating Cycle and Classification of Assets and Liabilities into Current and Non- Current**
  - 1. In accordance with the requirement of Schedule III, Normal Operating Cycle of the Company's business is determined and duly approved by the Board of Directors.
  - 2. Assets and Liabilities of the above business have been classified into Current and Non-Current using the above Normal Operating Cycle and applying other criteria prescribed in Schedule III.
- p) Undisclosed Income:** The Company does not have any transaction or undisclosed income which are reported by tax authorities under any assessment year under tax Assessment (such as, search or survey or any other relevant provisions) under the income tax Act- 1961 and rules made thereunder.
- q) The management has confirmed that adequate provisions have been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required to be provided for.

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- r) The balances of trade payables, trade receivables, loans, and advances are unsecured and considered good and are subject to confirmations of the respective parties concerned.
  - s) **Realizations:** In the opinion of the Board and to the best of its knowledge and belief, the value on the realization of current assets and loans and advances are approximate of the same value as stated.
  - t) **Contractual liabilities:** All other contractual liabilities connected with the business operations of the Company have been appropriately provided for.
  - u) **Amounts in the financial statements:** Amounts in the restated financial statements are rounded off to the nearest lacs. Figures in brackets indicate negative values.
  - v) **Material Adjustments:** Appropriate adjustments have been made in the restated financial statements, whenever required, by a reclassification of the corresponding items of assets, liabilities, and cash flow statement, in order to ensure consistency and compliance with requirements of Schedule III and Accounting Standard.
14. Refer **Note – ZC** for Restated Statement of Accounting Ratios.
15. The previous period / year's figures have been re-grouped and/or re-arranged wherever considered necessary.

**ZELIO E-MOBILITY LIMITED****(Formerly Zelio E-Mobility Private Limited / Zelio Auto Private Limited)***(Figures in Rs. Lakhs, unless stated otherwise)***ANNEXURE – VII: RESTATED STATEMENT OF CONTINGENT LIABILITIES AND COMMITMENTS**

Sr. No.	Particulars	As at			
		30 <sup>th</sup> September, 2024	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
(i)	<b>Contingent Liabilities (to the extent not provided for) *</b>	--	--	--	--
(ii)	<b>Commitments</b>	--	--	--	--

*\* The Company is subject to Liability towards MSME Vendors arising in the ordinary course of business. While the interest payable on amount cannot be predicted with certainty, management believes that any ultimate liability arising from these contingencies will not have a material adverse effect on the Company's financial position, results of operations, or cash flows.*

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**ANNEXURE – VIII: RESTATED STATEMENT OF RELATED PARTY TRANSACTIONS****A. List of related parties and their relationship:**

Particulars	Name of the Related Parties	Designation / Relation
<b>Key Management Personnel / Promoters / Shareholders</b>	Niraj Arya	Chairman and Whole time Director
	Deepak Arya	Whole time Director
	Kunal Arya	Managing Director
	Sayuri Arya	Non – Executive Director w.e.f. 11.02.2025
	Sulabh Jain	Independent Director w.e.f. 11.02.2025
	Meenakshi Jain	Independent Director w.e.f. 11.02.2025
<b>Relative / HUF of Key Management Personnel</b>	Anchal Aggarwal	Wife of Managing Director
	Deepak Arya HUF	HUF of director
<b>Entities in which Key Management Personnel or their Relatives have significance influence</b>	M/s Rajdhani Machinery Store	Directors are partner in the firm
	M/s Jai Bharat Engineering Tools	Relative of director is proprietor in the firm
	M/s Aryan Distributors	
	M/s Jai Bharat Auto Components	

**B. Details of Transactions with related parties**

Nature of Transaction	Name of related party	For the period / year ended			
		30 <sup>th</sup> September, 2024	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Remuneration	Niraj Arya	16.00	18.00	18.00	10.50
	Deepak Arya	16.00	18.00	18.00	10.50
	Kunal Arya	16.00	18.00	18.00	10.50
	Sayuri Arya	3.90	5.20	-	-
Loan taken	Niraj Arya	3.60	11.25	6.50	35.00
	Deepak Arya	-	6.30	0.90	50.50
	Kunal Arya	3.11	15.00	9.55	21.50
	Deepak Arya HUF	-	-	-	19.00
Loan repayment	Niraj Arya	6.59	9.90	4.00	-
	Deepak Arya	3.00	2.50	-	-
	Kunal Arya	3.11	9.70	-	0.10
Interest paid / payable	Niraj Arya	2.36	4.42	3.56	1.65
	Deepak Arya	3.24	5.78	5.19	1.55
	Kunal Arya	2.12	3.31	2.56	0.58
	Deepak Arya HUF	1.20	2.19	2.01	1.17
Reimbursement of expenses	Niraj Arya	-	-	-	2.84
	Kunal Arya	0.41	0.36	0.25	-
	Sayuri Arya	0.16	-	-	-
	Anchal Aggarwal	1.50	-	-	-
	Rajdhani Machinery Store	-	1.96	1.16	1.01
Commission paid	Anchal Aggarwal	-	9.50	9.70	8.00
Purchase of Goods (Including GST)	M/s Jai Bharat Engineering Tools	-	-	155.62	16.96
	M/s Rajdhani Machinery Store	-	-	1.44	0.60
	M/s Aryan Distributors	-	10.08	-	-
	M/s Jai Bharat Auto Components	284.60	202.54	-	-
Purchase of	M/s Jai Bharat	16.05	7.94	0.34	2.31

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Nature of Transaction	Name of related party	For the period / year ended			
		30 <sup>th</sup> September, 2024	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Property, plant and equipment (including GST)	Engineering Tools				
	M/s Rajdhani Machinery Store	-	-	-	0.40
Sale of Goods (Including GST)	M/s Rajdhani Machinery Store	431.01	712.82	800.51	279.62
	M/s Jai Bharat Auto Components	25.44	14.67	-	-

**C. Outstanding balance with related parties**

Nature of Transaction	Name of related party	As at			
		30 <sup>th</sup> September, 2024	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Remuneration Payable	Niraj Arya	1.08	1.25	1.61	-
	Deepak Arya	10.73	1.25	1.25	-
	Kunal Arya	13.37	1.25	1.30	-
	Sayuri Arya	0.65	0.65	-	-
Loan payable	Niraj Arya	46.90	47.53	42.20	36.49
	Deepak Arya	66.72	66.47	57.47	51.89
	Kunal Arya	44.43	42.31	34.03	21.92
	Deepak Arya HUF	25.03	23.84	21.86	20.06
Trade Receivables	Rajdhani Machinery Store	-	62.09	39.22	-
Trade Payables	M/s Jai Bharat Auto Components	96.73	41.74	-	-
Trade Payables	M/s Jai Bharat Engineering Tools	16.05	-	-	-
Advance from Customers	Rajdhani Machinery Store	63.07	-	-	95.08

Notes:

- I. The above transactions had been made at an Arm's Length Price.
- II. The above Statement forms an integral part of the Restated Financial Statements of the Company
- III. List of persons/entities classified as 'Promoters' and 'Group Company' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

**ZELIO E-MOBILITY LIMITED****(Formerly Zelio E-Mobility Private Limited / Zelio Auto Private Limited)***(Figures in Rs. Lakhs, unless stated otherwise)***ANNEXURE – IX: RESTATED STATEMENT OF MANDATORY ACCOUNTING RATIOS**

Particulars	Period / Year ended			
	30 <sup>th</sup> September, 2024	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
<b>Restated Net Worth</b>	1,771.15	1,066.55	435.67	130.14
<b>Restated net profit after tax</b>	704.60	630.88	305.53	127.14
Number of Equity Share Outstanding as on the period/ year end	30,000	30,000	30,000	30,000
Weighted number of equity shares outstanding during the six months / year (Note-3)	1,65,30,000	1,65,30,000	1,65,30,000	1,65,30,000
Face Value per Equity Share (Rs.)	10	10	10	10
Restated Basic and diluted earnings per share (EPS) in Rs. – (Note 1.a & 1.b)	4.26	3.82	1.85	0.77
Return on Net Worth (refer note below) (Note 1.c & 5)	39.78%	59.15%	70.13%	97.69%
Net asset value per equity share (Note 1.d)	5,903.38	3,555.13	1,452.22	433.80
Net Asset Value per share (Based on Weighted Average Number of Shares)	10.71	6.45	2.64	0.79
Current Ratio	1.45	1.68	1.50	1.40
EBITDA	928.58	875.53	401.91	154.25

**Notes:**

- 1) The ratios have been computed as below:
  - a) **Basic earnings per share (Rs.)** = Restated Net Profit after tax attributable to equity shareholders / Weighted number of equity shares outstanding during the six months / year
  - b) **Diluted earnings per share (Rs.)** = Restated net profit after tax attributable to equity shareholders / Weighted number of diluted potential equity shares outstanding during the six months / year.
  - c) **Return on net worth (%)** = Restated net profit after tax attributable to equity shareholders / Net worth X 100.
  - d) **Restated Net Asset Value per equity share (Rs.)** = Restated Net worth as at the end of the six months / year / Total number of equity shares outstanding at the end of the six months / year.
  - e) **EBITDA** has been calculated as per Profit before Tax + Depreciation + Finance Cost – Other Income
- 2) The Company does not have any revaluation reserves or extra ordinary items.
- 3) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the six months/year adjusted by the number of equity shares issued during the six months/year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion to total number of days during the six months/year. Further, number of shares are after considering the impact of the issue of bonus shares in the ratio of 550 bonus share for 1 fully paid-up equity shares of face value of Rs. 10 each to the existing equity shareholders, an issue without consideration, and treating the said issue as if it had occurred prior to the earliest period reported.
- 4) Net worth for ratios mentioned in note 1(c) and 1(d) above is = Equity shares capital + Reserves and surplus (including surplus in the Statement of Profit and Loss)
- 5) Earnings per share calculations are in accordance with Accounting Standard 20 – Earnings per share, notified under the Companies (Accounting Standards) Rules 2006, as amended.
- 6) The above Statement is based on and should necessarily be read with the Restated Financial Statements of the Company.

**ZELIO E-MOBILITY LIMITED**

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- 7) The Authorized Share Capital of the Company was increased from Rs. 2,00,00,000/- divided into 20,00,000 Equity Shares of Rs.10/- each to Rs. 25,00,00,000/- divided into 2,50,00,000 Equity Shares of Rs. 10/- vide Extra Ordinary General Meeting held on December 04, 2024.
- 8) The Board of Directors in their meeting held on February 12, 2024 allotted 1,65,00,000 Bonus shares in the ratio of 550:1 i.e. Five Hundred Fifty (550) Equity shares for every one (1) Equity share held by each shareholder.



**ZELIO E-MOBILITY LIMITED****(Formerly Zelio E-Mobility Private Limited / Zelio Auto Private Limited)***(Figures in Rs. Lakhs, unless stated otherwise)***ANNEXURE – X: RESTATED STATEMENT OF CAPITALISATION**

<b>Particulars</b>	<b>Pre issue as at September 30, 2024</b>	<b>Post issue as at September 30, 2024*</b>
<b>Borrowings</b>		
Short Term debt (A) (Note – 1)	1,338.66	*
Long term debt (B) (Note – 2)	858.39	*
<b>Total Debt (C=A+B)</b>	<b>2,197.05</b>	
<b>Shareholder's funds</b>		
Share Capital	3.00	*
Reserves & Surplus	1768.15	*
<b>Total Shareholder's funds (D)</b>	<b>1,771.15</b>	
<b>Total debt / shareholder's funds (C/D)</b>	<b>1.24</b>	*
<b>Long-term debt / shareholder's funds (B/D)</b>	<b>0.48</b>	*

\* The corresponding post issue figures are not determinable at this stage.

**Notes:**

The above has been computed on the basis of the Restated Summary Statements of Assets & Liabilities of the Company as at September 30, 2024;

- 1) Short term Debts represent which are expected to be paid/payable within 12 months and excludes instalment of term loans repayable within 12 months.
- 2) Long-term debts are borrowings other than short-term borrowings and also includes current maturities of long-term debt included in short-term borrowings.
- 3) The above Statement is based on and should necessarily be read with the Restated Financial Statements of the Company.

**ZELIO E-MOBILITY LIMITED****(Formerly Zelio E-Mobility Private Limited / Zelio Auto Private Limited)***(Figures in Rs. Lakhs, unless stated otherwise)***ANNEXURE – XI: RESTATED STATEMENT OF TAX SHELTER**

	Particulars	As at			
		30 <sup>th</sup> September, 2024	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
<b>A</b>	<b>Restated Profit before tax</b>	<b>851.38</b>	<b>762.18</b>	<b>369.39</b>	<b>153.51</b>
<b>B</b>	<b>Normal tax rate (Refer note 2 below)</b>	17.16%	17.16%	17.16%	17.16%
<b>C</b>	<b>Tax thereon (including surcharge and education cess)</b>	<b>146.10</b>	<b>130.79</b>	<b>63.39</b>	<b>26.34</b>
<b>D</b>	<b>Permanent differences</b>				
	Deductions allowed under Income tax Act	(0.64)	(0.02)	-	-
	Disallowance of expenses under Income tax Act	34.51	2.96	2.76	3.10
	<b>Total</b>	<b>33.87</b>	<b>2.94</b>	<b>2.76</b>	<b>3.10</b>
<b>E</b>	<b>Timing differences</b>				
	Difference in book depreciation and depreciation under Income Tax Act	14.86	(25.86)	5.22	(1.63)
	Provision on Gratuity – Allowed on Actual Basis	8.39	-	-	-
	Other timing differences	(0.29)	(0.59)	(0.59)	(0.59)
	Restatement adjustments	(4.25)	2.28	1.36	0.61
	<b>Total</b>	<b>18.71</b>	<b>(24.17)</b>	<b>5.99</b>	<b>(1.61)</b>
<b>F</b>	<b>Net adjustments (D+E)</b>	<b>52.58</b>	<b>(21.23)</b>	<b>8.75</b>	<b>1.49</b>
<b>G</b>	<b>Tax expenses / (saving) thereon (F X B )</b>	<b>9.02</b>	<b>(3.64)</b>	<b>1.50</b>	<b>0.26</b>
<b>H</b>	<b>Total Current Tax (C + G)</b>	<b>155.12</b>	<b>127.15</b>	<b>64.89</b>	<b>26.60</b>

Notes:

- 1) The aforesaid Tax Shelters Statement has been prepared as per Restated Summary Statement of Profit and Loss of the Company.
- 2) The Company has opted for option under section 115BAB of Income Tax Act, 1961 hence MAT is not applicable.
- 3) The above Statement is based on and should necessarily be read with the Restated Financial Statements of the Company.

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**NOTES TO RESTATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES****NOTE - A - RESTATED STATEMENT OF SHARE CAPITAL**

Particulars	As at 30th September, 2024		As at 31st March, 2024		As at 31st March, 2023		As at 31st March, 2022	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
<b>Authorised Share Capital</b>								
Equity Shares of Rs. 10/- each.	20,00,000	200.00	20,00,000	200.00	20,00,000	200.00	20,00,000	200.00
<b>TOTAL</b>		<b>200.00</b>		<b>200.00</b>		<b>200.00</b>		<b>200.00</b>
<b>Issued, Subscribed and Fully Paid up</b>								
Equity Shares of Rs. 10/- each.	30,000	3.00	30,000	3.00	30,000	3.00	30,000	3.00
<b>TOTAL</b>		<b>3.00</b>		<b>3.00</b>		<b>3.00</b>		<b>3.00</b>

**A.1 Rights attached to the equity shares:**

The Company has only one class of equity shares having par value of Rs. 10/- per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company the holder of equity share will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

**A.2 Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting period / year:**

Particulars	As at 30th September, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
Shares at the beginning of the period / year	30,000	30,000	30,000	-
Issued during the period / year	-	-	-	30,000
Shares at the end of the period / year	<b>30,000</b>	<b>30,000</b>	<b>30,000</b>	<b>30,000</b>

**ZELIO E-MOBILITY LIMITED****(Formerly Zelio E-Mobility Private Limited / Zelio Auto Private Limited)***(Figures in Rs. Lakhs, unless stated otherwise)***A.3 The details of the equity shareholders holding more than 5% shares at the end of the period / year:**

Name of the Equity shareholders	As at 30th September, 2024		As at 31st March, 2024		As at 31st March, 2023		As at 31st March, 2022	
	No. of Equity Shares	%age of Holding	No. of Equity Shares	%age of Holding	No. of Equity Shares	%age of Holding	No. of Equity Shares	%age of Holding
Deepak Arya	9,999	33.33%	10,000	33.33%	10,000	33.33%	10,000	33.33%
Kunal Arya	9,998	33.33%	10,000	33.33%	10,000	33.33%	10,000	33.33%
Niraj Arya	9,999	33.33%	10,000	33.33%	10,000	33.33%	10,000	33.33%

**A.4 Details of shares held by promoters at the end of the period / year:**

Name of Promoter	As at 30th September, 2024			As at 31st March, 2024			As at 31st March, 2023			As at 31st March, 2022		
	No. of Equity Shares	% of Total Shares	% Change during the period	No. of Equity Shares	% of Total Shares	% Change during the year	No. of Equity Shares	% of Total Shares	% Change during the year	No. of Equity Shares	% of Total Shares	% Change during the period
Deepak Arya	9,999	33.33%	Less than 0.01% in each case	10,000	33.33%	No Change	10,000	33.33%	No Change	10,000	33.33%	Issued / Incorporated during the period
Kunal Arya	9,998	33.33%		10,000	33.33%		10,000	33.33%		10,000	33.33%	
Niraj Arya	9,999	33.33%		10,000	33.33%		10,000	33.33%		10,000	33.33%	

**A.5** No equity shares have been allotted as fully paid up without payment being received in cash or bought back or allotted by way of Bonus issue during 5 years immediately preceding 30th September, 2024 / 31st March, 2024.

**A.6** The Authorized Share Capital of the Company was increased from Rs. 2,00,00,000/- divided into 20,00,000 Equity Shares of Rs.10/- each to Rs. 25,00,00,000/- divided into 2,50,00,000 Equity Shares of Rs. 10/- vide Extra Ordinary General Meeting held on December 04, 2024. Further, The Board of Directors in their meeting held on February 12, 2024 allotted 1,65,00,000 Bonus shares in the ratio of 550:1 i.e. Five Hundred Fifty (550) Equity shares for every one (1) Equity share held by each shareholder.

**A.7** There are no calls unpaid by the Directors or officers of the Company.

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**NOTE - B - RESTATED STATEMENT OF RESERVES AND SURPLUS**

Particulars	As at		As at		As at		As at	
	30th September, 2024		31st March, 2024		31st March, 2023		31st March, 2022	
<b>Securities Premium</b>								
Opening Balance	-		-		-		-	
Addition during the period / year	-		-		-		-	
Closing Balance		-		-		-		-
<b>General Reserve</b>								
Opening Balance	-		-		-		-	
Addition during the period / year	-		-		-		-	
Closing Balance		-		-		-		-
<b>Surplus</b>								
Opening Balance	1,063.55		432.67		127.14		-	
Restated Profit for the period / year	704.60		630.88		305.53		127.14	
Closing Balance		1,768.15		1,063.55		432.67		127.14
<b>TOTAL</b>		<b>1,768.15</b>		<b>1,063.55</b>		<b>432.67</b>		<b>127.14</b>

**NOTE - C - RESTATED STATEMENT OF LONG-TERM BORROWINGS**

Particulars	As at			
	30th September, 2024	31st March, 2024	31st March, 2023	31st March, 2022
<b>SECURED</b>				
Term Loans from Banks (Refer note C.1, C.2.1 and C.3)	675.31	529.72	284.38	24.00
<b>Less:</b> Transfer to Current Maturities of Long-Term Borrowings under head "Short Term Borrowings"	(111.46)	(90.37)	(57.93)	(4.92)
	<b>563.85</b>	<b>439.35</b>	<b>226.45</b>	<b>19.08</b>
<b>UNSECURED</b>				
Loans from Related Parties (Refer note C.4)	183.08	180.15	155.55	130.36
<b>TOTAL</b>	<b>746.93</b>	<b>619.50</b>	<b>382.00</b>	<b>149.44</b>

**C.1 The maturity profile of the non-current portion is as under:**

Rate of Interest	Maturity Profile				Date of last instalment
	1-2 years	2-3 years	3 years and more	Total	
HDFC Bank - Term Loans - 9.10% to 9.30%	109.65	119.48	302.32	531.45	07.07.2031
HDFC Bank - Vehicle Loans - 7.60% to 9.90%	5.15	1.33	1.08	7.56	05.06.2028
PNB - Auto Loan - 8.80%	3.67	4.01	17.16	24.84	23.04.2031
<b>Total</b>	<b>118.47</b>	<b>124.82</b>	<b>320.56</b>	<b>563.85</b>	

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**C.2 Principal terms of secured loans and assets charged as security**

Name of Lender	Purpose of Loan	Sanctioned Amount	Rate of Interest per annum	Primary & Collateral Security	Guarantee given by	Re-payment Schedule	Amount Outstanding as on 30.09.2024	Amount Outstanding as on 31.03.2024	Amount Outstanding as on 31.03.2023	Amount Outstanding as on 31.03.2022
HDFC Bank: 128155412	Term Loan	24.00	7.00%	<b>Primary Security:</b> Vehicles	N.A.	48 monthly instalments of Rs. 0.57 lakhs	10.31	13.33	19.08	24.00
HDFC Bank: 86614863	Term Loan	480.00	8.75% Linked with TBILL with 3 month frequency	<b>Primary Security:</b> Property (Note C.2.1), Debtors, Guarantee, Stock, Plant and Machinery	1) Rajdhani Machinery 2) Jai Bharat Engg. Tools Co. 3) Arun Lata 4) Priyanka Arya 5) Saroj Arya 6) Niraj Arya.	90 monthly instalments of Rs. 7.26 lakhs	370.79	397.21	265.30	-
HDFC Bank: 88676580	Term Loan	200.00	8.75% Linked with TBILL with 3 month frequency			61 monthly instalments amount Rs. 3.26 lakhs	134.50	83.92	-	-
HDFC Bank: 800151431	Term Loan	120.00	8.75% Linked with TBILL with 3 month frequency			84 monthly instalments of Rs. 2.08 lakhs	126.78	-	-	-
HDFC Bank: 50200061844237	Cash Credit for Working Capital	1,500.00	8.75% Linked with TBILL with 3 month frequency			Repayable on Demand (Annual Renewal)	1,338.66	700.73	518.65	218.90
HDFC Bank: 142132388	Term Loan	5.99	9.15%			<b>Primary Security:</b> Vehicles	N.A.	60 monthly installments of Rs. 0.12 lakhs	4.73	5.26
Punjab National Bank: 200200NG0002656	Term Loan	30.00	8.80%	<b>Primary Security:</b> Vehicles	Mr. Niraj Arya	84 monthly installments of Rs. 0.48 lakhs	28.21	30.00	-	-
<b>TOTAL</b>							<b>2,013.98</b>	<b>1,230.45</b>	<b>803.03</b>	<b>242.90</b>

## ZELIO E-MOBILITY LIMITED

(Formerly Zelio E-Mobility Private Limited / Zelio Auto Private Limited)

(Figures in Rs. Lakhs, unless stated otherwise)

### C.2.1 Details of the property offered as collateral:

1. Plot At Part Of Rishi Vihar Colony, Hisar Property No 15- 255, Property Id 22c10u144, New Property Id No P01700060275 And Po1700060286 Near D.A.V. School Hisar Haryana 125001
2. Shop No 237 Barwala Road Auto Mobile Market, Hisar, Haryana 125001
3. Shop No 236 Auto Market 0 Barwala Road Hisar, Hisar Haryana 125006
4. Residential At Property Id No.- 22c10u1744, New Property Id No. Near Braham Mahavidhyalaya P01700060275, Property Id No. - X-b-225, Rishi Vihar Colony, Opp D.n. College Hostel Hisar Haryana 125001
5. Shop No 541 & 542,mch Property B-2/723(672),b-2/724 (674), 0 Auto Market Na Hisar Haryana 125001
6. Property No. 380/214 Waka Churiwala Colony Waka Churiwala Colony Hisar D.n Collage Hisar Haryana 125001
7. Land At Khewat No:- 510 Min // 442 Min Jamabandi Year -2017-18, Vpo Ladwa, Hisar Khatoni No.600 Min 601,min, Khasra No.43//14/2(1-19), 17/1(2-0), 44//11/2(3-2), 12/2(3-2) 13/2(3-2) 43//15/2(3-2), 16(8-0), 44//18(8-0), 19(8-0), 20(8-0), Kita-10 Near Punia Ksk Petrol Pum, Hisar Haryana 125006  
(Equitable Charge has been created on these assets)

C.3 There were no re-schedulements, penalties or defaults in the repayment of loans taken by the Company.

### C.4 Unsecured Loans from Related Parties:

Name of Lender	Purpose of Loan	Rate of Interest per annum	Re-ayment Schedule	Amount Outstanding as on 30.09.2024	Amount Outstanding as on 31.03.2024	Amount Outstanding as on 31.03.2023	Amount Outstanding as on 31.03.2022
Niraj Arya	Working Capital	10.00%	-	46.90	47.53	42.20	36.49
Deepak Arya	Working Capital	10.00%	-	66.72	66.47	57.47	51.89
Kunal Arya	Working Capital	10.00%	-	44.43	42.31	34.03	21.92
Deepak Arya HUF	Working Capital	10.00%	-	25.03	23.84	21.85	20.06
<b>TOTAL</b>				<b>183.08</b>	<b>180.15</b>	<b>155.55</b>	<b>130.36</b>

**ZELIO E-MOBILITY LIMITED**

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(Figures in Rs. Lakhs, unless stated otherwise)

**NOTE - D - RESTATED STATEMENT OF DEFERRED TAX LIABILITIES / (ASSETS) (NET)**

Particulars	As at			
	30th September, 2024	31st March, 2024	31st March, 2023	31st March, 2022
<b>Deferred Tax Liabilities comprises of:</b>				
- Depreciation	1.32	3.82	-	0.28
<b>Deferred Tax Assets comprises of:</b>				
- Employee Benefits - Gratuity	1.44	0.73	0.34	0.10
- Depreciation	-	-	0.62	-
- Provision for Warranty	5.17	-	-	-
- Expenses allowed in subsequent years	0.15	0.20	0.30	0.41
<b>DEFERRED TAX LIABILITIES / (ASSETS) (NET)</b>	<b>(5.44)</b>	<b>2.89</b>	<b>(1.26)</b>	<b>(0.23)</b>

D.1 The Company has created / reversed DTA/DTL as per AS 22 issued by ICAI.

**NOTE - E - RESTATED STATEMENT OF LONG-TERM PROVISIONS**

Particulars	As at			
	30th September, 2024	31st March, 2024	31st March, 2023	31st March, 2022
Provision for Employee Benefits - Gratuity (Refer Note VI.2)	8.24	4.24	1.96	0.60
<b>TOTAL</b>	<b>8.24</b>	<b>4.24</b>	<b>1.96</b>	<b>0.60</b>

**NOTE - F - RESTATED STATEMENT OF SHORT-TERM BORROWINGS**

Particulars	As at			
	30th September, 2024	31st March, 2024	31st March, 2023	31st March, 2022
<b>SECURED</b>				
Current maturities of Long Term Borrowings (Refer Notes C.1 to C.2)	111.46	90.36	57.93	4.92
Working Capital Facility (Refer Notes C.2 and F.1)	1338.66	700.73	518.65	218.90
<b>TOTAL</b>	<b>1450.12</b>	<b>791.09</b>	<b>576.58</b>	<b>223.82</b>

F.1 There were no re-schedulements, penalties or defaults in the repayment of loans taken by the Company.

**NOTE - G - RESTATED STATEMENT OF TRADE PAYABLES**

Particulars	As at			
	30th September, 2024	31st March, 2024	31st March, 2023	31st March, 2022
(A) total outstanding dues of micro, small and medium enterprises;	187.02	7.30	7.28	0.73
(B) total outstanding dues of creditors other than micro, small and medium enterprises.	725.42	268.49	78.22	169.27
<b>TOTAL</b>	<b>912.44</b>	<b>275.79</b>	<b>85.50</b>	<b>170.00</b>

G.1 For ageing of Restated Trade Payables refer Note – ZA

G.2 Refer Note VI.12 for disclosure related to micro, small and medium enterprises



**ZELIO E-MOBILITY LIMITED****(Formerly Zelio E-Mobility Private Limited / Zelio Auto Private Limited)***(Figures in Rs. Lakhs, unless stated otherwise)***NOTE - H - RESTATED STATEMENT OF OTHER CURRENT LIABILITIES**

Particulars	As at			
	30th September, 2024	31st March, 2024	31st March, 2023	31st March, 2022
Interest accrued but not due	3.67	2.85	-	-
Statutory Liabilities	12.93	9.96	4.76	6.35
Advance from Customers	253.05	35.78	12.86	110.02
Payable for expenses	36.63	39.63	20.71	56.48
Other Payables	69.10	27.64	13.81	9.54
<b>TOTAL</b>	<b>375.38</b>	<b>115.86</b>	<b>52.14</b>	<b>182.39</b>

**H.1** Other payables comprises of payables to employees and directors, etc**H.2** There is no amount due and outstanding to be credited to Investors Education & Protection Fund.**NOTE - I - RESTATED STATEMENT OF SHORT TERM PROVISION**

Particulars	As at			
	30th September, 2024	31st March, 2024	31st March, 2023	31st March, 2022
Provision for Employee Benefits - Gratuity	0.15	0.01	0.01	0.01
Provision for CSR Expenses	4.30	-	-	-
Provision for Warranty Expenses	30.11	-	-	-
Provision for Income Tax (net of advances and TDS)	89.93	31.85	12.99	0.21
<b>TOTAL</b>	<b>124.49</b>	<b>31.86</b>	<b>13.00</b>	<b>0.22</b>

**I.1 Provision for warranty:**

Provision is recognised for expected warranty claims on electric vehicles, based on past experience of the level of returns and in accordance with the AS - 29 'Provisions, Contingent Liabilities and Contingent Assets'. Assumptions used for the said provision are sales return trend based on past warranty sales and as estimated by the management.

**ZELIO E-MOBILITY LIMITED**

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(Figures in Rs. Lakhs, unless stated otherwise)

**NOTE - J - RESTATED STATEMENT OF PROPERTY, PLANT AND EQUIPMENT****As at 30th September, 2024**

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1st April, 2024	Additions during the period	Deductions during the period	As at 30th September, 2024	As at 1st April, 2024	For the period	Deductions/ Adjustments	Upto 30th September, 2024	As at 30th September, 2024	As at 31st March, 2024
Land	103.33	1.08	-	104.41	-	-	-	-	104.41	103.33
Building	386.89	-	-	386.89	18.48	17.55	-	36.03	350.86	368.41
Plant & Machineries	256.70	59.98	-	316.68	34.61	23.20	-	57.81	258.87	222.09
Computers	5.96	5.84	-	11.80	3.25	2.33	-	5.58	6.22	2.71
Vehicles	71.50	-	-	71.50	17.75	8.42	-	26.17	45.33	53.75
Office Equipment	0.34	34.38	(0.41)	34.31	0.25	6.02	-	6.27	28.04	0.09
Furniture & Fittings	22.88	50.26	-	73.14	7.26	7.30	-	14.56	58.58	15.62
<b>TOTAL</b>	<b>847.60</b>	<b>151.54</b>	<b>(0.41)</b>	<b>998.73</b>	<b>81.60</b>	<b>64.82</b>	<b>-</b>	<b>146.42</b>	<b>852.31</b>	<b>766.00</b>

**As at 31st March, 2024**

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1st April, 2023	Additions during the year	Deductions during the year	As at 31st March, 2024	As at 1st April, 2023	For the year	Deductions/ Adjustments	Upto 31st March, 2024	As at 31st March, 2024	As at 31st March, 2023
Land	-	103.33	-	103.33	-	-	-	-	103.33	-
Building	-	386.89	-	386.89	-	18.48	-	18.48	368.41	-
Plant & Machineries	67.80	188.90	-	256.70	8.21	26.40	-	34.61	222.09	59.59
Computers	2.78	3.18	-	5.96	1.51	1.74	-	3.25	2.71	1.27
Vehicles	29.36	42.14	-	71.50	9.44	8.31	-	17.75	53.75	19.92
Office Equipment	0.34	-	-	0.34	0.18	0.07	-	0.25	0.09	0.16
Furniture & Fittings	14.49	8.39	-	22.88	4.32	2.94	-	7.26	15.62	10.17
<b>TOTAL</b>	<b>114.77</b>	<b>732.83</b>	<b>-</b>	<b>847.60</b>	<b>23.66</b>	<b>57.94</b>	<b>-</b>	<b>81.60</b>	<b>766.00</b>	<b>91.11</b>

**ZELIO E-MOBILITY LIMITED**

(Formerly Zelio E-Mobility Private Limited / Zelio Auto Private Limited)

(Figures in Rs. Lakhs, unless stated otherwise)

**As at 31st March, 2023**

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1st April, 2022	Additions during the year	Deductions during the year	As at 31st March, 2023	As at 1st April, 2022	For the year	Deductions/ Adjustments	Upto 31st March, 2023	As at 31st March, 2023	As at 31st March, 2022
Plant & Machineries	6.57	61.23	-	67.80	0.35	7.86	-	8.21	59.59	6.22
Computers	1.45	1.33	-	2.78	0.35	1.16	-	1.51	1.27	1.10
Vehicles	29.36	-	-	29.36	0.40	9.04	-	9.44	19.92	28.96
Office Equipment	0.26	0.08	-	0.34	0.05	0.13	-	0.18	0.16	0.21
Furniture & Fittings	11.75	2.74	-	14.49	1.32	3.00	-	4.32	10.17	10.43
<b>TOTAL</b>	<b>49.39</b>	<b>65.38</b>	<b>-</b>	<b>114.77</b>	<b>2.47</b>	<b>21.19</b>	<b>-</b>	<b>23.66</b>	<b>91.11</b>	<b>46.92</b>

**As at 31st March, 2022**

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 15th July, 2021	Additions during the period	Deductions during the period	As at 31st March, 2022	As at 15th July, 2021	For the period	Deductions/ Adjustments	Upto 31st March, 2022	As at 31st March, 2022	As at 15th July, 2021
Plant & Machineries	-	6.57	-	6.57	-	0.35	-	0.35	6.22	-
Computers	-	1.45	-	1.45	-	0.35	-	0.35	1.10	-
Vehicles	-	29.36	-	29.36	-	0.40	-	0.40	28.96	-
Office Equipment	-	0.26	-	0.26	-	0.05	-	0.05	0.21	-
Furniture & Fittings	-	11.75	-	11.75	-	1.32	-	1.32	10.43	-
<b>TOTAL</b>	<b>-</b>	<b>49.39</b>	<b>-</b>	<b>49.39</b>	<b>-</b>	<b>2.47</b>	<b>-</b>	<b>2.47</b>	<b>46.92</b>	<b>-</b>

J.1 Refer Note No. C.2.1 for details of Property, Plant & Equipment that have been pledged as a security / mortgaged with various Banks against loans taken/

J.2 There are no immovable properties where title deeds of such immovable properties are not held in name of the Company or jointly held with others.

J.3 The Company has not revalued its Property, Plant and Equipment

J.4 The figures disclosed above are based on the Restated Summary Statement of Assets and Liabilities of the Company.

J.5 The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Financial Statements' appearing in Annexure - IV, 'Statement of Material Adjustments to the Financial Statements' appearing in Annexure - V and 'Notes to the Restated Financial Statements' appearing in Annexure - VI.

**NOTE - K - RESTATED STATEMENT OF CAPITAL WORK IN PROGRESS****As at 30th September, 2024**

Particulars	Carrying Amount			
	As at 1st April, 2024	Additions and Transfers	Disposals / Transfers	As at 30th September, 2024
Building	68.96	49.82	-	118.78
Furniture & Fittings	14.29	-	(14.29)	-
Office Equipment	18.00	-	(18.00)	-
Plant & Machineries	2.30	-	(2.30)	-
<b>TOTAL</b>	<b>103.55</b>	<b>49.82</b>	<b>(34.59)</b>	<b>118.78</b>

**As at 31st March, 2024**

Particulars	Carrying Amount			
	As at 1st April, 2023	Additions and Transfers	Disposals / Transfers	As at 31st March, 2024
Land	109.42	-	(109.42)	-
Building	262.58	193.26	(386.88)	68.96
Furniture & Fittings	-	16.31	(2.02)	14.29
Office Equipment	-	18.00	-	18.00
Plant & Machineries	-	2.30	-	2.30
<b>TOTAL</b>	<b>372.00</b>	<b>229.87</b>	<b>(498.32)</b>	<b>103.55</b>

**As at 31st March, 2023**

Particulars	Carrying Amount			
	As at 1st April, 2022	Additions and Transfers	Disposals / Transfers	As at 31st March, 2023
Land	-	109.42	-	109.42
Building	-	262.58	-	262.58
<b>TOTAL</b>	<b>-</b>	<b>372.00</b>	<b>-</b>	<b>372.00</b>

**K.1 Ageing of Capital Work in Progress**

Particulars	As at 30th September, 2024				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	118.78	-	-	-	118.78
<b>Total</b>	<b>118.78</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>118.78</b>

Particulars	As at 31st March, 2024				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	103.55	-	-	-	103.55
<b>Total</b>	<b>103.55</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>103.55</b>

Particulars	As at 31st March, 2023				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	372.00	-	-	-	372.00
<b>Total</b>	<b>372.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>372.00</b>

**NOTE - L - RESTATED STATEMENT OF OTHER NON CURRENT ASSETS**

Particulars	As at			
	30th September, 2024	31st March, 2024	31st March, 2023	31st March, 2022
(Unsecured, Considered good)				
Security Deposits	1.60	1.54	-	1.20
Property Held for Sale	268.00	-	-	-
<b>TOTAL</b>	<b>269.60</b>	<b>1.54</b>	<b>-</b>	<b>1.20</b>

**NOTE - M - RESTATED STATEMENT OF INVENTORIES**

Particulars	As at			
	30th September, 2024	31st March, 2024	31st March, 2023	31st March, 2022
Raw Material	2923.98	1327.63	561.29	541.96
Finished Goods	108.69	24.48	87.44	38.90
<b>TOTAL</b>	<b>3032.67</b>	<b>1352.11</b>	<b>648.73</b>	<b>580.86</b>

**M.1** Refer Note IV.3.3 of significant accounting policies for accounting policy on valuation of inventories.

**NOTE - N - RESTATED STATEMENT OF TRADE RECEIVABLES**

Particulars	As at			
	30th September, 2024	31st March, 2024	31st March, 2023	31st March, 2022
(Unsecured, Considered good)				
Trade Receivables (Refer note N.2 below)	134.59	160.88	98.32	26.37
<b>TOTAL</b>	<b>134.59</b>	<b>160.88</b>	<b>98.32</b>	<b>26.37</b>

**N.1** For ageing of Restated Trade Receivable refer Note – ZB

**N.2** Amount due from related party is as under:

Particulars	As at			
	30th September, 2024	31st March, 2024	31st March, 2023	31st March, 2022
Rajdhani Machinery Store	-	62.09	39.22	-
<b>TOTAL</b>	<b>-</b>	<b>62.09</b>	<b>39.22</b>	<b>-</b>

**NOTE - O - RESTATED STATEMENT OF CASH AND CASH EQUIVALENTS**

Particulars	As at			
	30th September, 2024	31st March, 2024	31st March, 2023	31st March, 2022
<b>Cash and cash equivalents</b>				
- Cash in Hand	7.46	1.23	6.12	2.26
- Balances with Banks	0.08	0.97	3.57	0.22
<b>Other bank balances</b>				
- Fixed Deposit with Bank (including accrued interest)				
i. held as margin money against bank guarantees	5.12	3.04	-	-
ii. others	-	-	0.26	0.26
<b>TOTAL</b>	<b>12.66</b>	<b>5.24</b>	<b>9.95</b>	<b>2.74</b>

**NOTE - P - RESTATED STATEMENT OF SHORT TERM LOANS AND ADVANCES**

Particulars	As at			
	30th September, 2024	31st March, 2024	31st March, 2023	31st March, 2022
(Unsecured, Considered good)				
Advance to Suppliers	361.51	307.92	203.79	98.69
Prepaid expenses	6.15	1.63	0.42	0.73
Balance with Revenue Authorities	152.04	208.91	87.02	93.02
GST refundable on Imports	443.00	-	34.25	-
Other party advances	-	-	-	5.85
<b>TOTAL</b>	<b>962.70</b>	<b>518.46</b>	<b>325.48</b>	<b>198.29</b>

**P.1** Refer Annexure VI.7 for Advances given to Foreign Suppliers

**NOTE - Q - RESTATED STATEMENT OF REVENUE FROM OPERATIONS**

Particulars	Period ended 30th September, 2024	Year ended 31st March, 2024	Year ended 31st March, 2023	Period from 15th July, 2021 to 31st March, 2022
Sale of products	7527.98	9442.50	5125.07	1289.32
<b>TOTAL</b>	<b>7527.98</b>	<b>9442.50</b>	<b>5125.07</b>	<b>1289.32</b>

**Q1. Detail of sale of products:**

Particulars	Period ended 30th September, 2024	Year ended 31st March, 2024	Year ended 31st March, 2023	Period from 15th July, 2021 to 31st March, 2022
a. Electric Vehicles	7370.63	9173.84	4918.90	1286.22
b. Accessories, etc.	157.35	268.66	206.17	3.10
<b>TOTAL</b>	<b>7527.98</b>	<b>9442.50</b>	<b>5125.07</b>	<b>1289.32</b>

**NOTE - R - RESTATED STATEMENT OF OTHER INCOME**

Particulars	Period ended 30th September, 2024	Year ended 31st March, 2024	Year ended 31st March, 2023	Period from 15th July, 2021 to 31st March, 2022
<b>Non-related and non-recurring (Refer note R.1 below)</b>				
Interest income on fixed deposits	0.09	0.03	0.01	0.01
<b>Related and recurring (Refer note R.1 below)</b>				
Foreign exchange gain (net)	75.83	47.30	37.22	13.17
<b>TOTAL</b>	<b>75.92</b>	<b>47.33</b>	<b>37.23</b>	<b>13.18</b>

**R.1** The classification of other income as recurring/non-recurring, related/not related to business activity is based on the current operations and business activity of the Company as determined by the management.

**NOTE - S - RESTATED STATEMENT OF COST OF MATERIAL CONSUMED**

Particulars	Period ended 30th September, 2024	Year ended 31st March, 2024	Year ended 31st March, 2023	Period from 15th July, 2021 to 31st March, 2022
<b>Raw Material</b>				
Opening Stock	1327.63	561.29	541.96	-
Purchases (less returns)	6503.07	7610.97	3819.29	1190.50
Import related expenses	993.54	785.04	486.34	251.54
	<b>8824.24</b>	<b>8957.30</b>	<b>4847.59</b>	<b>1442.04</b>
Less: Closing Stock	(2923.97)	(1327.63)	(561.29)	(541.96)
<b>TOTAL</b>	<b>5900.27</b>	<b>7629.67</b>	<b>4286.30</b>	<b>900.08</b>

**S.1 Value of imported and indigineous Raw Material consumed and the percentage of each to the total consumption:**

Particulars	Period ended 30th September, 2024	Year ended 31st March, 2024	Year ended 31st March, 2023	Period from 15th July, 2021 to 31st March, 2022
Imported (Absolute)	4610.03	4265.30	2422.36	539.90
Imported (%)	78%	56%	57%	60%
Indigenous (Absolute)	1290.24	3364.37	1863.94	360.18
Indigenous (%)	22%	44%	43%	40%
<b>TOTAL</b>	<b>5900.27</b>	<b>7629.67</b>	<b>4286.30</b>	<b>900.08</b>

**S.2 Details of Raw Material consumed:**

Particulars	Period ended 30th September, 2024	Year ended 31st March, 2024	Year ended 31st March, 2023	Period from 15th July, 2021 to 31st March, 2022
EV Kit	2623.21	3168.63	1756.50	-
Battery	1755.06	2557.49	1255.42	287.41
Electric Motor	246.71	172.03	97.95	109.28
Tyre	194.60	261.65	168.28	2.80
EV Charger	130.26	316.29	98.25	21.54
Others (including accessories, etc.)	950.43	1153.58	909.90	479.05
<b>TOTAL</b>	<b>5900.27</b>	<b>7629.67</b>	<b>4286.30</b>	<b>900.08</b>

**NOTE - T - RESTATED STATEMENT OF DIRECT EXPENSES**

Particulars	Period ended 30th September, 2024	Year ended 31st March, 2024	Year ended 31st March, 2023	Period from 15th July, 2021 to 31st March, 2022
Custom and Import expenses	70.03	105.30	89.46	45.42
Transport expenses	107.82	116.71	38.70	70.91
Other Expenses	7.88	9.22	6.28	5.76
<b>TOTAL</b>	<b>185.73</b>	<b>231.23</b>	<b>134.44</b>	<b>122.09</b>

**NOTE - U - RESTATED STATEMENT OF CHANGES IN INVENTORIES OF FINISHED GOODS**

Particulars	Period ended 30th September, 2024	Year ended 31st March, 2024	Year ended 31st March, 2023	Period from 15th July, 2021 to 31st March, 2022
<b>Finished Goods - Electric Vehicles</b>				
At the beginning of the period / year	24.48	87.44	38.90	-
<b>Less: At the end of the period / year</b>	(108.69)	(24.48)	(87.44)	(38.90)
<b>TOTAL</b>	<b>(84.21)</b>	<b>62.96</b>	<b>(48.54)</b>	<b>(38.90)</b>

**NOTE - V - RESTATED STATEMENT OF EMPLOYEE BENEFIT EXPENSES**

Particulars	Period ended 30th September, 2024	Year ended 31st March, 2024	Year ended 31st March, 2023	Period from 15th July, 2021 to 31st March, 2022
Salaries, wages, bonus, gratuity, allowances etc.	190.79	241.94	125.11	43.72
Remuneration to Directors	48.00	54.00	54.00	31.50
Contribution to provident, ESI and other funds etc.	2.95	2.62	1.82	0.43
Staff welfare expenses	8.69	10.36	1.68	2.75
<b>TOTAL</b>	<b>250.43</b>	<b>308.92</b>	<b>182.61</b>	<b>78.40</b>

**NOTE - W - RESTATED STATEMENT OF FINANCE COSTS**

Particulars	Period ended 30th September, 2024	Year ended 31st March, 2024	Year ended 31st March, 2023	Period from 15th July, 2021 to 31st March, 2022
Interest expense on borrowings	86.27	100.92	43.44	10.41
Processing Costs and Bank charges	2.03	1.82	5.12	1.04
<b>TOTAL</b>	<b>88.30</b>	<b>102.74</b>	<b>48.56</b>	<b>11.45</b>

**NOTE - X - RESTATED DEPRECIATION AND AMORTIZATION EXPENSES**

Particulars	Period ended 30th September, 2024	Year ended 31st March, 2024	Year ended 31st March, 2023	Period from 15th July, 2021 to 31st March, 2022
Depreciation expenses	64.82	57.94	21.19	2.47
<b>TOTAL</b>	<b>64.82</b>	<b>57.94</b>	<b>21.19</b>	<b>2.47</b>



**NOTE - Y - RESTATED STATEMENT OF OTHER EXPENSES**

Particulars	Period ended 30th September, 2024	Year ended 31st March, 2024	Year ended 31st March, 2023	Period from 15th July, 2021 to 31st March, 2022
Auditors' Remunerations	1.01	1.51	1.21	1.01
Business Promotional Expenses	41.80	77.09	16.94	3.29
Charity & Donations	-	0.72	1.79	0.10
Commission On Sales	13.93	48.49	19.80	39.70
Provision towards CSR Expenses	4.30	-	-	-
Discount & Rebates	18.21	22.59	26.74	0.24
Duties & Taxes	0.05	2.04	0.85	0.01
Exhibition Expenses	-	-	17.16	-
Financial & Related Services	-	1.62	1.54	0.57
Licence and Permit Expenses	31.93	14.03	2.39	1.47
Loss of Raw Materials due to theft	3.72	-	-	-
Freight Outward	142.84	104.34	42.03	10.08
Miscellaneous Expenses	8.39	9.12	7.47	5.11
Preliminary expenses written off	-	-	-	2.95
Printing & Stationery	0.86	3.95	0.66	0.22
Professional & Technical Expenses	4.35	5.93	6.70	1.00
Rent	4.50	9.00	9.00	4.80
Insurance	0.43	0.60	0.74	0.11
Telephone Expenses	0.54	0.76	0.46	0.03
Travelling Expenses	32.17	19.35	5.66	0.50
Vehicle Expenses	2.83	4.55	2.90	0.03
Water & Electricity Expenses	5.21	7.79	2.03	1.03
Warranty Expenses	30.11	-	-	-
Website Development and Hosting Expenses	-	0.71	2.28	1.15
<b>TOTAL</b>	<b>347.18</b>	<b>334.19</b>	<b>168.35</b>	<b>73.40</b>

**Y.1 Bifurcation of Auditors Remuneration:**

Statutory Audit Fees	1.01	1.01	0.81	0.71
Tax Audit Fees	-	0.50	0.40	0.30
<b>TOTAL</b>	<b>1.01</b>	<b>1.51</b>	<b>1.21</b>	<b>1.01</b>

**NOTE - ZA - RESTATED AGEING OF TRADE PAYABLES**

Schedule of Trade Payable for Balance as at September 30, 2024

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	187.02	-	-	-	187.02
(ii) Others	722.82	2.60	-	-	725.42
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Schedule of Trade Payable for Balance as at March 31, 2024

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	7.30	-	-	-	7.30
(ii) Others	268.49	-	-	-	268.49
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

**Schedule of Trade Payable for Balance as at March 31, 2023**

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	7.28	-	-	-	7.28
(ii) Others	78.22	-	-	-	78.22
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

**Schedule of Trade Payable for Balance as at March 31, 2022**

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	0.73	-	-	-	0.73
(ii) Others	169.27	-	-	-	169.27
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

**Note ZA.1:** Amount due to entities covered under Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, have been identified on the basis of information available with the Company. There was no amount due to any such entities which needs to be disclosed.

**Note ZA.2:** There are no unbilled trade payables.

**NOTE - ZB - RESTATED AGEING OF TRADE RECEIVABLES****For current trade receivables outstanding As at September 30, 2024**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	134.53	0.06	-	-	-	134.59
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

**For current trade receivables outstanding As at March 31, 2024**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	158.68	2.20				160.88
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

**For current trade receivables outstanding As at March 31, 2023:**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	96.61	0.66	1.05			98.32
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

**For current trade receivables outstanding As at March 31, 2022:**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	26.37	-				26.37
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

**Note ZB.1:** There are no unbilled trade receivables.

**NOTE - ZC - RESTATED STATEMENT OF ACCOUNTING RATIOS**

Particulars	As at 30th September, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
<b>(i) Current Ratio:</b>	1.45	1.68	1.49	1.40
(Current Assets / Current Liabilities)				
Variation Y-o-Y	-13.69%	12.75%	6.43%	NA
Reasons for Variation >25%	NA	NA	NA	NA
<b>ii) Debt service coverage Ratio :</b>	6.94	5.35	5.99	15.82
(Earnings available for debt services / Total debt and interest repaid)				
Variation Y-o-Y	29.72%	-10.68%	-62.14%	NA
<b>Reasons for Variation &gt;25%</b>	The main reason for Decrease is: 1) Net Profit is for 6 months in Sept 2024 2) Reduced debt repayments being Stub Period of 6 months	NA	The main reason for decrease is due to increased debt repayments on account of increased loans	NA
<b>iii) Return on equity ratio :</b>	49.66%	83.99%	108.00%	195.39%
(Net profit after taxes / Average equity shareholder's fund)				
Variation Y-o-Y	-40.87%	-22.23%	-44.73%	NA
<b>Reasons for Variation &gt;25%</b>	The main reason for Decrease is: 1) Net Profit is for 6 months in Sept 2024 2) Average Equity Shareholders Funds increased subsequently	NA	The main reason for Decrease is increased Average Equity Shareholders Funds	NA
<b>iv) Inventory Turnover Ratio :</b>	2.74	7.92	7.11	3.39
(Cost of goods sold / Average Inventory)				
Variation Y-o-Y	-65.40%	11.39%	109.73%	NA
<b>Reasons for Variation &gt;25%</b>	The main reason for Decrease is: 1) Cost of Goods Sold is for 6 months in Sept 2024 - Hence Appearing Decreased	NA	The main reason for Increase is increase in Cost of Goods Sold in line with increasing Sales	NA

Particulars	As at 30th September, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
	2) Increased Inventory due to approaching Festival Season - Hence High Inventory Maintained			
<b>v) Trade receivables turnover ratio :</b>	50.96	72.86	82.20	97.80
(Net sales / Average trade receivable)				
Variation Y-o-Y	-30.06%	-11.36%	-15.95%	NA
<b>Reasons for Variation &gt;25%</b>	The main reason for Decrease is: 1) Net Sales is for 6 months in Sept 2024 - Hence Appearing Decreased 2) Average Trade Receivables increased subsequently	NA	NA	NA
<b>vi) Trade payables turnover ratio :</b>	12.93	47.76	34.76	18.40
(Net purchase / Average trade payable)				
Variation Y-o-Y	-72.93%	37.40%	88.91%	
<b>Reasons for Variation &gt;25%</b>	The main reason for Decrease is: 1) Net Purchases is for 6 months in Sept 2024 - Hence Appearing Decreased 2) Increased Trade Payables Outstanding on account of High Inventory due to approaching Festival Season.	The main reason for Increase is both increased Net Purchases and Average Trade Payables but Net Purchases increased more in comparison to Average Trade Payables	The main reason for Increase is increase in Net Purchased in line with increasing Sales	
<b>vii) Net capital turnover ratio :</b>	7.16	16.04	17.46	11.12
(Net Sales / Average Working capital)				
Variation Y-o-Y	-55.36%	-8.13%	57.01%	
<b>Reasons for Variation &gt;25%</b>	The main reason for Decrease is: 1) Net Sales is for 6 months in Sept 2024 - Hence Appearing Decreased 2) Average Working Capital	NA	The main reason for Increase is Increasing Net Sales but Average Working Capital didn't increase in the same ratio	

Particulars	As at 30th September, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
	increased subsequently			
<b>viii) Net profit ratio :</b>	9.36%	6.68%	5.96%	9.86%
(Profit after Tax / Net sales)				
Variation Y-o-Y	40.09%	12.07%	-39.55%	
Reasons for Variation >25%	Being economies of scale/operational costs reducing as a result of high value of operations leading to increased profitability	NA	Being the initial years of operations, operating cost was higher which gradually decreased in the later years	
<b>ix) Return on capital employed :</b>	23.63%	34.84%	29.61%	32.56%
(Earnings before interest and taxes / Capital employed)				
Variation Y-o-Y	-32.18%	17.66%	-9.06%	
Reasons for Variation >25%	The main reason for Decrease is: 1) EBITDA is for 6 months in Sept 2024 2) Total Assets increased subsequently	NA	NA	
<b>x) Debt - Equity ratio</b>	1.24	1.32	2.20	2.87
(Total debt / Shareholder's equity)				
Variation Y-o-Y	-6.06%	-40.00%	-23.34%	
Reasons for Variation >25%	NA	The main reason for Decrease is Increased Debt but Equity Increased More	NA	
<b>xi) Return on investments :</b>	NA	NA	NA	NA
(Earnings before interest and taxes / Capital employed)				

**OTHER FINANCIAL INFORMATION**

The Audited Financial Statements of our Company as at and for the period/year ended September 30, 2024, March 31, 2024 March 31, 2023 and March 31, 2022 and their respective Audit reports thereon (Audited Financial Statements) are available at [www.zelioebikes.com](http://www.zelioebikes.com).

Our Company is providing a link to this website solely to comply with the requirements specified in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018. The Audited Financial Statements do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) Red Herring Prospectus; or (iii) Prospectus, a statement in lieu of a prospectus, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, 2013, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018, or any other applicable law in India or elsewhere in the world. The Audited Financial Statements should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company and should not be relied upon or used as a basis for any investment decision. Neither our Company, nor BRLM, nor any of their respective Employees, Directors, Affiliates, Agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI (ICDR) Regulations are given below: -

*(Rs. In Lakhs except percentages and ratios)*

Particulars	For the year/ period ended on			
	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Profit After Tax (Rs. In Lakhs)	704.60	630.88	305.53	127.14
Basic & Diluted Earnings per Share	4.26	3.82	1.85	0.77
Return on Net Worth (%)	39.78%	59.15%	70.13%	97.69%
NAV per Equity Shares (Based on Actual Number of Shares)	5,903.38	3,555.13	1,452.22	433.80
NAV per Equity Shares (based on Weighted Average Number of Shares - With Bonus issue effect)	10.71	6.45	2.64	0.79
Earnings before interest, tax, depreciation and amortization (EBITDA)	928.58	875.53	401.91	154.25

\* Not Annualized

**STATEMENT OF FINANCIAL INDEBTEDNESS**

17 February, 2025

**To,**  
The Board of Directors,  
**Zelio E-Mobility Limited**  
(formerly known as *Zelio Auto Private Limited*)  
Khewat No 510, 442, Hisar Road, Ladwa,  
Hisar-125006, Haryana, India

Dear Sirs/ Ma'am,

Based on the independent examination of Books of Accounts, Audited Financial Statements and other documents of **Zelio E-Mobility Limited** and further explanations and information provided by the management of the Company, which we believe to be true and correct to the best of our information and belief, the sanction amount of financial indebtedness, principal terms of security for loan and other related details as on September 30, 2024 are mentioned below:

**A. SECURED LOANS****STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY**

Name of Lender	Loan/ Agreement A/c No./Ref. No.	Purpose	Sanctioned Amount (Rs. in Lakhs)	Rate of interest-(p.a.)	Primary & Collateral Security	Re-Payment Schedule	Outstanding amount as on September 30, 2024 (Rs. In Lakhs)
HDFC Bank Limited	128155412	Term Loan	24.00	7%	Vehicles	48 monthly instalments of Rs. 0.57 lakhs	10.31
HDFC Bank Limited	86614863	Term Loan	480.00	8.75% Linked with TBILL with 3 month frequency	Properties (Note no.1), Debtors, Guarantee (Note no. 2), Stock & Plant and Machinery	90 monthly installments of Rs. 7.26 lakhs	370.79
HDFC Bank Limited	88676580	Term Loan	200.00	8.75% Linked with TBILL with 3 month frequency		61 monthly installments amount Rs. 3.26 lakhs	134.50
HDFC Bank Limited	800151431	Term Loan	120.00	8.75% Linked with TBILL with 3 month frequency		84 monthly installments of Rs. 2.08 lakhs	126.78
HDFC Bank Limited	50200061844237	Cash Credit for Working Capital	1500.00	8.75% Linked with TBILL with 3 month frequency		Repayable on Demand (Annual Renewal)	1338.66
HDFC Bank Limited	142132388	Term Loan	5.99	9.15%		Vehicles	60 monthly installments of Rs. 0.12 lakhs



Name of Lender	Loan/ Agreement A/c No./Ref. No.	Purpose	Sanctioned Amount (Rs. in Lakhs)	Rate of interest- (p.a.)	Primary & Collateral Security	Re-Payment Schedule	Outstanding amount as on September 30, 2024 (Rs. In Lakhs)
Punjab National Bank	200200NG0002656	Term Loan	30.00	8.80%	Vehicles	84 monthly installments of Rs. 0.48 lakhs	28.21
<b>TOTAL (Fund Based)</b>							<b>2,013.98</b>
<b>TOTAL (Non-Fund Based)</b>							-
<b>GRAND TOTAL (Fund and Non fund Based) (A)</b>							<b>2,013.98</b>

**Note 1: Collateral Security:**

S. No.	Property Description	Property Owner
1.	Plot At Part of Rishi Vihar Colony, Hisar Property No 15 255, Property Id 22c10u144, New Property Id No P01700060275 And Po1700060286 Near D.A.V. School Hisar Haryana 125001	Arun Lata
2.	Shop No 237 Barwala Road Auto Mobile Market Na Hisar Haryana 125001	Deepak Arya And Priyanka
3.	Shop No 236 Auto Market 0 Barwala Road Hisar Na Hisar Haryana 125006	Neeraj Arya And Saroj Arya
4.	Residential At Property Id No.- 22c10u1744, New Property Id No. Near Braham Mahavidhyalaya P01700060275, Property Id No. - X-b-225, Rishi Vihar Colony, Opp D.N. College Hostel Hisar Haryana 125001	Priyanka Arya, Saroj Arya & Arun Lata
5.	Shop No 541 & 542, mch Property B-2/723(672), b-2/724 (674), 0 Auto Market Na Hisar Haryana 125001	Saroj Arya
6.	Property No. 380/214 Waka Churiwala Colony Waka Churiwala Colony Hisar D.N. Collage Hisar Haryana 125001	Saroj Arya
7.	Land At Khewat No: - 510 Min // 442 Min Jamabandi Year -2017-18, VPO Ladwa, Hisar Khatoni No.600 Min 601,min, Khasra No.43//14/2(1-19), 17/1(2-0), 44//11/2(3 2), 12/2(3-2) 13/2(3-2) 43//15/2(3-2), 16(8-0), 44//18(8-0), 19(8-0), 20(8-0), Kita-10 Near Punia Ksk Petrol Pump Hisar Haryana 125006	Zelio Auto Private Limited

\* An equitable mortgage charge has been created on these properties.

**Note 2: Personal Guarantee**

1. Rajdhani Machinery Store
- 2) Jai Bharat Engg. Tools Co.
- 3) Arun Lata
- 4) Priyanka Arya
- 5) Saroj Arya
- 6) Niraj Arya.

**UNSECURED LOANS- FROM OTHERS**

<b>Name of Lender</b>	<b>Purpose</b>	<b>Rate of Interest-(p. a.)</b>	<b>Re-Payment Schedule</b>	<b>December 31, 2024 (Rs. In Lakhs)</b>
Deepak Arya	Used for Working Capital	10.00%	On Demand	66.72
Deepak Arya HUF	Used for Working Capital	10.00%	On Demand	25.03
Kunal Arya	Used for Working Capital	10.00%	On Demand	44.43
Niraj Arya	Used for Working Capital	10.00%	On Demand	46.90
<b>TOTAL</b>				<b>183.08</b>
<b>TOTAL Unsecured Loan (B)</b>				<b>183.08</b>
<b>GRAND TOTAL (A+B) Secured and Unsecured Loan-Fund based</b>				<b>2,197.06</b>
<b>GRAND TOTAL (A+B) Secured and Unsecured Loan-Fund Based+ Non-fund Based</b>				<b>2,197.06</b>

Yours faithfully,

For **S.P. Chopra & Co.**

Chartered Accountants

Firm Registration Number: 000346N

Sd/-

**Pawan K. Gupta**

Partner

Membership Number: 092529

UDIN: 250925BMNZK05937

**MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS**

You should read the following discussion in conjunction with our restated financial statements attached in the chapter titled “**Financial Information of the Company**” beginning on page 169. You should also read the section titled “**Risk Factors**” on page 29 and the section titled “**Forward Looking Statements**” on page 21 of this Red Herring Prospectus, which discusses a number of factors and contingencies that could affect our financial condition and results of operations. The following discussion relates to us, and, unless otherwise stated or the context requires otherwise, is based on our Restated Financial Statements.

Our financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations and restated as described in the report of our auditor dated February 17, 2025, which is included in this Draft Red Herring Prospectus under “Financial Statements”. The Restated Financial Information has been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. Our financial year ends on March 31 of each year, and all references to a particular financial year are to the twelve-month period ended March 31 of that year.

**BUSINESS OVERVIEW**

We are primarily engaged in the business of manufacturing, assembling and supplying of electric vehicles, offering a range of electric two-wheelers (“E-2Ws”) and three-wheelers (“3Ws”), available in a variety of design, color, speed variants etc. We are an ISO 45001:2018, ISO 9001:2015 and ISO 14001:2015 certified company, operating under the brand name “Zelio” for E-2Ws and “Tanga” for 3Ws and focussing exclusively on the production of E-2Ws and 3Ws which serves environmental benefits such as lower emissions, reduced noise, energy sustainability etc. We launched the first range of electric scooters in FY 2021-22 and operate through a network of exclusive and non-exclusive dealers spanning across urban, semi-urban, and rural areas.

Currently we are operating our business through corporate office and manufacturing unit situated at Khewat No 510, 442, Hisar Road, Ladwa, Hisar- 125006, Haryana, India, spreading in an area of 48 kanal 7 marle (equivalent to 24,458.01 sq. mtrs.). We have an installed capacity of producing 72000 units p.a. (electric two-wheelers/three-wheelers) and are equipped with various machines such as Conveyor Line-32 meter long, welding machines, impact wrenches, bolt tightening tools, drilling tools etc. for manufacturing, assembling and supplying of electric vehicles. We manufacture EVs by assembling various parts which we outsource from suppliers as per the designs conceptualised by the company. Our company is registered under the Bureau of Indian Standards and SAE International and also USA has confirmed World Manufacturer identifier (WMI) code for our company.

We operate our business through a wide network of dealers, and at present, our focus is primarily on B2B transactions. We are working with 280 dealers spreading across more than 20 states & union territories in India, thus, selling our products pan-India. Our E-2Ws portfolio comprises of various models inclusive of EEVA, EEVAZX, Gracy, Legender, Mystery, XMen etc. and E-3Ws comprises of vehicles namely, Tanga and Tanga e-Loader under the Brand name of “Tanga”. Set out below are details of revenue (including other operating revenue) from our E-2Ws and 3Ws for the periods indicated:

(Rs. in lakhs)

Particulars	For the period and year ended on							
	September 30, 2024		March 31, 2024		March 31, 2023		March 31, 2022	
	Amount	% of total income	Amount	% of total income	Amount	% of total income	Amount	% of total income
E-2Ws	7,352.25	97.67%	9,173.84	97.16%	4,918.90	95.98%	1,286.22	99.76%
3Ws	18.38	0.24%	-	-	-	-	-	-
Others <sup>#</sup>	157.35	2.09%	268.66	2.84%	206.16	4.02%	3.10	0.24%
<b>Total</b>	<b>7,527.98</b>	<b>100.00%</b>	<b>9,442.50</b>	<b>100.00%</b>	<b>5,125.07</b>	<b>100.00%</b>	<b>1,289.32</b>	<b>100.00%</b>

<sup>#</sup> Includes Battery, Spare Parts, Chargers, Battery wire, wiper blade, front turning light, light, tyer etc.

Our company is managed by our promoters Niraj Arya, Kunal Arya and Deepak Arya who are associated with the company since its incorporation. Niraj Arya is the Chairman and Whole Time Director of the company. He has overall experience of 18 Years in Electric Vehicle and Battery Solutions Industry and is currently involved in the general business and administration functions including Accounts & Finance, Legal operations & Compliance related functions of our Company. Kunal Arya is the Managing Director of the company and is having an experience of 5 years in the field of Electric Vehicle and Battery Solutions Industry. He is playing vital role in formulating business strategies and effective implementation of the same. He is responsible for managing the business planning & development, purchase, production, inventory & dispatch planning, sales & marketing related functions of our company. Deepak Arya is the Whole time Director of the company having experience of 12 years in the field of Electric Vehicle and Battery Solutions Industry. He is Responsible for Human Resource and customer relationship management related functions of our Company. Our Promoters and

Directors are supplemented by senior management with significant experience which has been instrumental in the growth of our company.

Our total revenue and net profit as restated in the financial statements have shown positive CAGR in last three Financial Years. Our total revenue has increased from ₹ 1,289.32 lakhs for the financial year ended March 31, 2022 to ₹ 9,442.50 lakhs for the financial year ended on March 31, 2024, at a CAGR of 170.65%. The following table sets forth certain key performance indicators for the years indicated:

(₹ In Lakhs except percentages and ratios)

Key Financial Performance	As of and for the period ended			
	September 30, 2024	FY 2023-24	FY 2022-23	FY 2021-22
Revenue from Operations <sup>(1)</sup>	7,527.98	9442.50	5,125.07	1289.32
EBITDA <sup>(2)</sup>	928.58	875.53	401.90	154.25
EBITDA Margin <sup>(3)</sup>	12.34%	9.27%	7.84%	11.96%
Profit After Tax (PAT) <sup>(4)</sup>	704.60	630.88	305.53	127.14
PAT Margin <sup>(5)</sup>	9.36%	6.68%	5.96%	9.86%
RoE (%) <sup>(6)</sup>	49.66%	83.99%	108.00%	195.39%
RoCE (%) <sup>(7)</sup>	23.63%	34.84%	29.61%	32.56%
Net Worth <sup>(8)</sup>	1,771.15	1,066.55	435.67	130.14

**Notes:**

<sup>(1)</sup> Revenue from operation means Revenue from Operations as appearing in the Restated Financial Statements.

<sup>(2)</sup> EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income

<sup>(3)</sup> 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

<sup>(4)</sup> PAT is calculated as Profit before tax – Tax Expenses

<sup>(5)</sup> 'PAT Margin' is calculated as PAT for the period/ year divided by revenue from operations.

<sup>(6)</sup> Return on Equity is ratio of Profit after Tax and Average Shareholder Equity

<sup>(7)</sup> Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus total borrowings {current & non-current}.

<sup>(8)</sup> Net Worth = Equity Share Capital + Reserve and Surplus (including surplus in the Statement of Profit & Loss) - Preliminary Expenses to the extent not written-off

**Explanation for KPI metrics**

KPI	Explanations
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business
EBITDA	EBITDA provides information regarding the operational efficiency of the business
EBITDA Margin (%)	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business
PAT	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin (%)	PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.
RoE (%)	RoE provides how efficiently our Company generates profits from shareholders' funds.
RoCE (%)	RoCE provides how efficiently our Company generates earnings from the capital employed in the business.
Net Worth	Net worth is used by the management to ascertain the total value created by the entity and provides a snapshot of current financial position of the entity.

**STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

For details in respect of Statement of Significant Accounting Policies, please refer to Restated Financial Statements beginning on page 169 of this Draft Red Herring Prospectus.

**Factors Affecting our Results of Operations**

1. Our limited operating history makes evaluating our business and future prospects difficult;
2. Our dependence on the demand for and adoption of EVs;

3. Disruptions in the supply, or increase in prices of, components and raw materials used in our EVs, can adversely affect our product pricing and manufacturing and delivery timelines;
4. Any reductions or eliminations of government incentives or ineligibility of electric vehicles for such incentive could increase the retail price of our electric vehicles, adversely affecting the demand for our electric vehicles;
5. Changes in focus or change in Government Policies towards EVs;
6. Our ability to sustain and grow in competition from existing and new entities in EV industry;
7. Any change in government policies resulting in increases in taxes payable by us;
8. Our ability to successfully upgrade our products and services portfolio, from time to time;
9. Our ability to comply with changes in safety, health, environmental and labour laws and other applicable regulations;
10. General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
11. Our ability to retain our key managements persons and other employees;
12. Our ability to make interest and principal payments on our existing debt obligations and satisfy the other covenants contained in our existing debt agreements;
13. Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
14. Company's ability to successfully implement strategy, growth and expansion plans and technological initiatives;
15. failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
16. inability to successfully obtain registrations in a timely manner or at all;
17. Occurrence of Environmental Problems & Uninsured Losses;
18. Conflicts of interest with affiliated companies, the promoter group and other related parties;
19. Concentration of ownership among our Promoter.

**Discussion on Result of Operations**

The following discussion on results of operations should be read in conjunction with the Restated Financial Statements for period and financial years ended September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022.

(₹ in Lakhs)

Particulars	Period ended 30th September, 2024	% of Total Income	Year ended 31st March, 2024	% of Total Income	Year ended 31st March, 2023	% of Total Income	Period from 15th July, 2021 to 31st March, 2022	% of Total Income
<b>Income</b>								
Revenue From Operation	7,527.98	99.00%	9,442.50	99.50%	5,125.07	99.28%	1,289.32	98.99%
Other Income	75.92	1.00%	47.33	0.50%	37.23	0.72%	13.18	1.01%
<b>Total Income</b>	<b>7,603.90</b>	<b>100.00%</b>	<b>9,489.83</b>	<b>100.00%</b>	<b>5162.30</b>	<b>100.00%</b>	<b>1302.50</b>	<b>100.00%</b>
<b>Expenses</b>								
Cost of Material Consumed	5,900.27	77.60%	7,629.67	80.40%	4286.30	83.03%	900.08	69.10%
Direct Expenses	185.73	2.44%	231.23	2.44%	134.44	2.60%	122.09	9.37%
Changes in inventories of finished goods.	(84.21)	(1.11%)	62.96	0.66%	(48.54)	-0.94%	(38.90)	-2.99%
Employee Benefit Expenses	250.43	3.29%	308.92	3.26%	182.61	3.54%	78.40	6.02%
Finance Cost	88.30	1.16%	102.74	1.08%	48.56	0.94%	11.45	0.88%
Depreciation and Amortization Expenses	64.82	0.85%	57.94	0.61%	21.19	0.41%	2.47	0.19%
Other Expenses	347.18	4.57%	334.19	3.52%	168.35	3.26%	73.40	5.64%
<b>Total Expenses</b>	<b>6,752.52</b>	<b>88.80%</b>	<b>8,727.65</b>	<b>91.97%</b>	<b>4792.91</b>	<b>92.84%</b>	<b>1148.99</b>	<b>88.21%</b>
<b>Profit/(Loss) Before Exceptional &amp; extraordinary items &amp; Tax</b>	<b>851.38</b>	<b>11.20%</b>	<b>762.18</b>	<b>8.03%</b>	<b>369.39</b>	<b>7.16%</b>	<b>153.51</b>	<b>11.79%</b>
Extraordinary / Exceptional Item	-	0.00%	-	0.00%	-	0.00%	-	0.00%
<b>Profit Before Tax</b>	<b>851.38</b>	<b>11.20%</b>	<b>762.18</b>	<b>8.03%</b>	<b>369.39</b>	<b>7.16%</b>	<b>153.51</b>	<b>11.79%</b>
<b>Tax Expenses:</b>								
- Current Year	155.12	2.04%	127.15	1.34%	64.89	1.26%	26.60	2.04%
- Deferred Tax	(8.34)	(0.11%)	4.15	0.04%	(1.03)	-0.02%	(0.23)	-0.02%
<b>Net Current Tax Expenses</b>	<b>146.78</b>	<b>1.93%</b>	<b>131.30</b>	<b>1.38%</b>	<b>63.86</b>	<b>1.24%</b>	<b>26.37</b>	<b>2.02%</b>
<b>Profit After Tax</b>	<b>704.60</b>	<b>9.27%</b>	<b>630.88</b>	<b>6.65%</b>	<b>305.53</b>	<b>5.92%</b>	<b>127.14</b>	<b>9.76%</b>

**Revenue from operations:**

We are primarily engaged in the business of manufacturing, assembling and supplying of electric vehicles, offering a range of electric two-wheelers and three-wheelers, hence, primary sales are from the sale of the above-mentioned products.

**Other Income:**

Our other income primarily comprises of Foreign Exchange Gain (net) & Interest Income on Fixed Deposits.

**Expenses:**

Company's expenses consist of cost of material consumed, Direct Expenses, Change in inventories of finished goods, employee benefit expenses, finance cost, depreciation and amortization expenses and other expenses.

**Cost of material consumed:**

Our cost of material consumed comprises of net purchase of raw material and import related expenses.

**Direct Expenses:**

Our direct expenses comprise of Custom and Import Expenses, transport expenses and related other expenses.

**Changes in Inventories of Finished Goods:**

Changes in inventories of finished goods consists of changes in inventories of finished goods.

**Employee benefits expense:**

Our employee benefits expense primarily comprises of Salaries, wages, bonus, gratuity, allowances etc., remuneration to directors, contribution to provident, employees state insurance and other funds etc. and staff welfare expenses.

**Finance Costs:**

Our finance cost primarily consists of Interest expenses on borrowings and processing costs and bank charges.

**Depreciation and Amortization Expenses:**

Depreciation and Amortization expenses includes depreciation expenses which are laid on building, plant and machineries, computers, vehicles, office equipment and furniture and fittings.

**Other Expenses:**

Our other expenses primarily of freight outward, business promotional expenses, travelling expenses, commission on sales, discount and rebates among others.

**For the Period ended September 30, 2024 (Based on Restated Financial Statements)**

**Total Income:**

Total income for the period ending September 30, 2024 stood at Rs. 7,603.90 lakhs.

**Revenue from Operations:**

During the period ending September 30, 2024 revenue from operations stood at Rs. 7,527.98 lakhs.

**Other Income:**

During the period ending September 30, 2024, other income was Rs 75.92 lakhs.

**Total Expenses:**

The Total Expenses for the period ending September 30, 2024 stood at Rs. 6,752.52 Lakhs.

**Cost of Material Consumed:**

During the period ending September 30, 2024, cost of material consumed stood at Rs. 5,900.27 lakhs.

**Direct Expenses:**

During the period ending September 30, 2024, direct expenses amounted to Rs. 185.73 lakhs.

**Changes in inventories of finished goods:**

During the period ending September 30, 2024, there was a change in inventory of Rs. (84.21) lakhs

**Employee benefit expenses:**

Our Company has incurred Rs. 250.43 lakhs as employee benefit expenses for the period ending September 30, 2024.

**Finance costs:**

Finance costs for the period ending September 30, 2024 was Rs. 88.30 lakhs.

**Depreciation and Amortization Expenses:**

Depreciation for the period ending September 30, 2024 was Rs. 64.82 lakhs.

**Other Expenses:**

Other Expenses for the period ending September 30, 2024 stood at Rs. 347.18 lakhs.

**Restated Profit before tax:**

The Company reported Restated profit before tax for the period ending September 30, 2024 of Rs. 851.38 lakhs.

**Restated profit after tax:**

The Company reported Restated profit after tax for the period ending September 30, 2024 of Rs. 704.60 lakhs.

**Financial Year 2024 Compared to Financial Year 2023 (Based on Restated Financial Statements)**

**Total Income:**

Total income for the financial year 2023-24 stood at Rs. 9,489.83 lakhs whereas in Financial Year 2022-23 the same stood at Rs. 5,162.30 lakhs representing an increase of 83.83%. The main reason for increase in total income was due to increase in the sale of our products, which majorly comprises of sale of E-2Ws that increased from Rs. 4,918.90 lakhs in FY 2022-23 to Rs. 9,173.84 lakhs in FY 2023-24, representing an increase of 86.50 %.

**Revenue From Operations:**

During the financial year 2023-24, the revenue from operation of our company increased to Rs. 9,442.50 Lakhs as against Rs. 5,125.07 Lakhs in the Financial Year 2022-23 representing an increase of 84.24%. The main reason for increase in revenue from operations was



due to increase in the sale of our products, which majorly comprises of sale of E-2Ws that increased from Rs. 4,918.90 lakhs in FY 2022-23 to Rs. 9,173.84 lakhs in FY 2023-24, representing an increase of 86.50 %.

**Other Income:**

During the financial year 2023-24, the other income of our company increased to Rs. 47.33 lakhs as against Rs. 37.23 lakhs in the financial year 2022-23 representing an increase of 27.12%. The increase in other income was majorly due to increase in net foreign exchange gain.

**Total Expenses:**

The total expense for the financial year 2023-24 increased to Rs. 8,727.65 lakhs from Rs. 4,792.90 lakhs in the financial year 2022-23 representing an increase of 82.10 %. Such increase was due to increase in business operations of the company. The cost of material consumed increased from Rs. 4,286.30 lakhs in Fiscal 2023 to Rs. 7,629.67 lakhs in Fiscal 2024 representing an increase of 78.00%, along with increase in direct expenses of 72.00% from Rs. 134.44 lakhs in the fiscal 2023 to Rs. 231.23 lakhs for the fiscal 2024. Further there also increase in the total expenses due to increase arising from changes in inventory of finished goods from Rs. (48.54) lakhs in fiscal 2023 to Rs. 62.96 lakhs in the fiscal 2024, increase in employee benefit expenses from Rs. 182.61 lakhs in financial year 2022-23 to Rs. 308.92 lakhs for the financial year 2023-24 representing an increase of 69.17%, increase in finance cost from Rs. 48.56 lakhs in Fiscal 2023 to Rs. 102.74 lakhs in Fiscal 2024 representing an increase of 111.58%, increase in depreciation and amortization expenses from Rs. 21.19 lakhs in financial year 2022-23 to Rs. 57.94 lakhs for the financial year 2023-24 and increase in other expenses from Rs. 168.35 lakhs in fiscal 2023 to Rs. 334.19 lakhs in fiscal 2024 representing an increase of 98.50% as compared with previous year.

**Cost of Material Consumed:**

Cost of material consumed increased to Rs. 7,629.67 lakhs in financial year 2023-24 from Rs. 4,286.30 lakhs in financial year 2022-23 representing increase of 78.00 %. Such increase was due to increase in business operations of the company. Net purchases made during the period 2023-24 amounted Rs. 7,610.97 lakhs increased from Rs. 3,819.29 lakhs in financial year 2022-23 representing an increase of 99.2%. Also, import related expenses saw an increase from Rs. 486.34 lakhs in the fiscal 2023 to Rs. 785.04 lakhs in the fiscal 2024 representing an increase of 61.42%.

**Direct Expenses:**

Our company incurred direct expenses amounting Rs. 231.23 lakhs in the financial year 2023-24 against Rs. 134.44 lakhs in the financial year 2022-23 which reflected an increase of 71.99%. Significant increase in Direct expenses was seen due to increase in transport expenses incurred during the year as the expense incurred during the financial year 2023-24 amounted to Rs. 116.71 lakhs against Rs. 38.70 lakhs incurred during the year 2022-23 reflecting an increase of 201.58%.

**Changes in inventory of finished goods:**

The company experienced changes in inventory of finished goods for the financial year 2023-24 amounting Rs. 62.96 lakhs against a negative change in inventory in finished goods for the financial year 2022-23 which amounted to Rs. 48.54 lakhs indicating a change of (229.71%).

**Employee benefits expense:**

Our Company has incurred Rs. 308.92 lakhs as employee benefit expenses during the financial year 2023-24 as compared to Rs. 182.61 lakhs in the financial year 2022-23. The increase of 69.17% was mainly due to increase in Salaries, wages, bonus, gratuity, allowances etc. and staff welfare expenses.

**Finance costs:**

These costs for the financial Year 2023-24 increased to Rs. 102.74 lakhs as against Rs. 48.56 lakhs during the financial year 2022-23. The increase of 111.58% in the finance costs was due to increase in the borrowings incurred by the company which were Rs. 1,410.60 lakhs for the fiscal 2024 against Rs. 958.58 lakhs for the fiscal 2023.

**Depreciation and Amortization Expenses:**

Depreciation for the financial year 2023-24 stood at Rs. 57.94 lakhs as against Rs. 21.19 lakhs during the financial year 2022-23. The increase in depreciation was around 173.39% in comparison to the previous year.

**Other Expenses:**

Our Company has incurred Rs. 334.19 lakhs during the financial year 2023-24 on other expenses as against Rs. 168.35 lakhs during the financial year 2022-23. There was an increase of 98.50% mainly due to increase in expenses like business promotional expenses, commission on sales, freight outward, travelling expenses etc.

**Restated profit before tax:**

Net profit before tax for the financial year 2023-24 increased to Rs. 762.18 lakhs as compared to Rs. 369.39 lakhs in the financial year 2022-23, which was majorly due to factors as mentioned above.

**Restated profit for the year:**

The company reported restated profit after tax for the financial year 2023-24 of Rs. 630.88 lakhs in comparison to Rs. 305.53 lakhs in the financial year 2022-23. The increase of 106.48% was majorly due to factors mentioned above.

**Financial Year 2023 Compared to Financial Year 2022 (Based on Restated Financial Statements)**

**Total Income:**

Total income for the financial year 2022-23 stood at Rs. 5,162.30 lakhs whereas in Financial Year 2021-22 the same stood at Rs. 1,302.50 lakhs representing an increase of 296.34%. The main reason for increase in total income was due to increase in the sale of our products, majorly comprising of sale of E-2Ws which increased from Rs. 1,286.22 lakhs in FY 2021-22 to Rs. 4,918.90 lakhs in FY 2022-23 representing an increase of 282.43 %.

**Revenue from Operation:**

During the financial year 2022-23, revenue from operation of our company increased to Rs. 5,125.07 lakhs as against Rs. 1,289.32 lakhs in the financial year 2021-22 representing an increase of 297.50%. The main reason for increase was due to increase in the sale of our products, majorly comprising of sale of E-2Ws from Rs. 1,286.22 lakhs in FY 2021-22 to Rs. 4,918.90 lakhs in FY 2022-23 representing an increase of 282.43 %.

**Other Income:**

During the financial year 2022-23 the other income of our company increased to Rs. 37.23 lakhs as against to Rs. 13.18 lakhs in the financial year 2021-22 representing an increase of 182.57%. The increase was due to increase in net foreign exchange gain.

**Total Expenses:**

The total expenses for the financial year 2022-23 increased to Rs. 4,792.91 lakhs from Rs. 1,148.99 lakhs in the financial year 2021-22 representing an increase of 317.14%. Such increase was due to increase in business operations of the company. The cost of material consumed increased from Rs. 900.08 lakhs in Fiscal 2022 to Rs. 4286.30 lakhs in Fiscal 2023 representing an increase of 376.22%, increase in direct expenses from Rs.122.09 lakhs in fiscal 2022 to Rs. 134.44 lakhs in fiscal 2023 reflecting an increase of 10.11%, changes in inventory of finished goods have shown increase from Rs. (38.90) lakhs to Rs. (48.54) lakhs indicating a change of 24.80%, increase in employee benefit expenses from Rs. 78.40 lakhs in Fiscal 2022 to Rs. 182.61 lakhs in Fiscal 2023 representing an increase of 132.93%, increase in finance cost from Rs. 11.45 lakhs in the financial year 2021-22 to Rs. 48.56 lakhs in the financial year 2022-23 showing an increase of 324.06 %. Further, there was an increase in depreciation and amortization expenses from Rs. 2.47 lakhs in financial year 2021-22 to Rs. 21.19 lakhs in financial year 2022-23 showing an increase of 759.66% and increase in other expenses from Rs. 73.40 lakhs in fiscal 2022 to Rs. 168.35 lakhs in fiscal 2023 representing an increase of 129.37% as compared with the previous year.

**Cost of Material Consumed:**

Cost of material consumed increased to Rs. 4,286.30 lakhs in financial year 2022-23 from Rs. 900.08 lakhs in the financial year 2021-22 representing increase of 376.22%. Such increase was due to increase in business operations of the company. Net purchases increased from Rs. 1190.50 lakhs in financial year 2021-22 to Rs. 3819.29 lakhs in financial year 2022-23 representing an increase of 220.81%. Furthermore, import related expenses have increased from Rs. 251.54 lakhs for the financial year 2021-22 to Rs. 486.34 lakhs for the financial year 2022-23.

**Direct Expenses:**

Company has incurred direct expenses amounting Rs. 134.44 lakhs in the financial year 2022-23 against the direct expenses amounting Rs. 122.09 lakhs incurred during the financial year 2021-22 reflecting an increase of 10.11%.

**Change in inventories of finished goods:**

During the financial year 2022-23, we have experienced negative change in inventory amounting Rs. 48.54 lakhs against a negative change of Rs. 38.90 lakhs in the financial year which implies an increase of 24.80%.

**Employee benefits expense:**

Our company has incurred Rs. 182.61 lakhs as employee benefit expenses during the financial year 2022-23 as compared to Rs. 78.40 lakhs in the financial year 2021-22 representing an increase of 132.93% mainly due to increase in salaries, wages, bonus, gratuity, allowances etc. and remuneration to directors.

**Finance costs:**

Finance costs for the financial year 2022-23 increased to Rs. 48.56 lakhs as against Rs. 11.45 lakhs during the financial year 2021-22 representing an increase of 324.06 %, mainly due to increase in borrowings which increased from Rs. 373.26 lakhs in financial year 2021-22 to Rs. 958.58 lakhs for the financial year 2022-23.

**Depreciation and Amortization Expenses:**

Depreciation for the financial year 2022-23 stood at Rs. 21.19 lakhs as against Rs. 2.47 lakhs during the financial year 2021-22. The increase in depreciation was around 759.66% in comparison to the previous year which was mainly due to significant additions made in the property, plant and equipment as compared to the previous year.

**Other Expenses:**

Our company has incurred Rs. 168.35 lakhs during the financial year 2022-23 on other expenses as against Rs. 73.40 lakhs during the financial year 2021-22. There was an increase of 129.37% mainly due to increase in expenses like business promotional expenses, discount and rebates, freight outward etc.

**Restated profit before tax:**

Net profit before tax for the financial year 2022-23 has increased to Rs. 369.39 lakhs as compared to Rs. 153.51 lakhs in the financial year 2021-22. The increase of 140.62% which was majorly due to factors as mentioned above.

**Restated profit for the year:**

The company reported restated profit after tax for the financial year 2022-23 of Rs. 305.53 lakhs in comparison to Rs. 127.14 lakhs in the financial year 2021-22. The increase of 140.30% was majorly due to factors mentioned above.

**Information required as per Item (II)(C)(iv) of Part A of Schedule VI to the SEBI Regulations:**

**An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:**

**1. Unusual or infrequent events or transactions**

There has not been any unusual trend on account of our business activity. Except as disclosed in this Draft Red Herring Prospectus, there are no unusual or infrequent events or transactions in our Company.

**2. Significant economic changes that materially affected or are likely to affect income from continuing operations.**

There are no significant economic changes that may materially affect or likely to affect income from continuing operations.

**3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.**

Apart from the risks as disclosed under Section “**Risk Factors**” beginning on page 29 of this Draft Red Herring Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

**4. Future changes in relationship between costs and revenues**

Other than as described in the sections “**Risk Factors**”, “**Our Business**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” on pages 29, 111 and 223 respectively, to our knowledge, no future relationship between expenditure and income is expected to have a material adverse impact on our operations and finances.

**5. Segment Reporting**

Our business activity primarily falls within a single business and geographical segment, other than as disclosed in “**Restated Financial Statements**” on page 169 we do not follow any other segment reporting

**6. Status of any publicly announced New Products or Business Segment**

Except as disclosed in the Chapter “**Our Business**”, our Company has not announced any new product or service.

**7. Seasonality of business**

Our business is subject to seasonality. For further information, refer **Risk Factor** – “**Our results of operations may vary significantly from period to period due to the seasonality of our business**” on page 39.

**8. Dependence on single or few customers**

Given the nature of our business operations, we do not believe our business is dependent on any single or a few customers

**9. Competitive conditions**

Competitive conditions are as described under the Chapters “**Industry Overview**” and “**Our Business**” beginning on pages 102 and 111 respectively of this Draft Red Herring Prospectus.

**10. Details of material developments after the date of last balance sheet i.e. September 30, 2024.**

After the date of last Balance sheet i.e. September 30, 2024, the following material events have occurred after the last audited period:

1. The Company has created charge on 11th October, 2024 in favour of ICICI Bank Limited for working capital facility of Rs. 4.99 crores.
2. A special resolution passed by the shareholders at the Extra Ordinary General Meeting held on 25th October, 2024, the name of the Company was changed from "Zelio Auto Private Limited" to "Zelio E-Mobility Private Limited" vide a fresh certificate of incorporation consequent upon change of name, issued by the Registrar of Companies, Central Registration Centre on 21st November, 2024.

3. A special resolution passed by the shareholders at the Extra Ordinary General Meeting held on 22nd November, 2024 the name of the Company was changed from "Zelio E-Mobility Private Limited" to "Zelio E-Mobility Limited" vide a fresh certificate of incorporation consequent upon conversion from Private Company to Public Company dated 29th November 2024 issued by the Registrar of Companies, Central Processing Centre.
4. A special resolution passed by the shareholders at the Extra Ordinary General Meeting held on 4th December, 2024, to alter the main objects and make consequential amendments in the Memorandum of Association (MOA) and also Articles of Association (AOA) amended to align with the Companies Act, 2013.
5. The Authorized Share Capital of the Company was increased from ₹200.00 Lakhs divided into 20,00,000 Equity Shares of ₹10/- each to ₹2500.00 Lakhs divided into 2,50,00,000 Equity Shares of ₹10/- each. vide Extra Ordinary General Meeting held on 4th December, 2024.
6. The Board of Directors in their meeting held on 24th January, 2025, the Board appointed Maashitla Securities Pvt. Ltd. As Registrar & Share Transfer Agent, Mindspright Legal as Legal Advisor, Hem Securities Ltd. as Merchant Banker for the proposed IPO and S.P. Chopra & Co. was appointed as Peer Review Auditor for the Draft Offer Document.
7. The Company has approved the Audited Financial Statements of the Company for the stub period ended 30th September, 2024 in the Board meeting dated 1st February, 2025.
8. The Board of Directors in their meeting held on 7th February, 2025, the Board appointed Ms. Sayuri Arya as Non-Executive Director, Mr. Sulabh Jain, and Ms. Meenakshi Jain as Independent Directors and re-designated Mr. Kunal Arya as Managing Director, Mr. Niraj Arya as Whole-Time Director and Mr. Deepak Arya as Whole-Time Director.
9. The Board of Directors in their meeting held on 12th February, 2025 allotted 1,65,00,000 Bonus shares in the ratio of 550:1 i.e. Five Hundred Fifty Equity shares for every one Equity share held by each shareholder.
10. The Company has approved the Restated Financial Statements for the six months period ended 30th September, 2024 and financial year / period ended 31st March, 2024, 31st March, 2023 and 31st March, 2022 in the Board meeting dated 17th February, 2025.
11. The Board of Directors in their meeting held on 25th February, 2025, appointed Ms. Priyanka Garg as the Company Secretary and Compliance Officer, and Mr. Shubham Garg as the Chief Financial Officer, both effective from March 1, 2025.
12. The Company has passed a special resolution in the meeting of shareholders dated 18th March, 2025 authorizing the Board of Directors to raise funds by making an Initial Public Offering.

**CAPITALISATION STATEMENT**

<b>Particulars</b>	<b>Pre issue as at September 30, 2024</b>	<b>Post issue as at September 30, 2024*</b>
<b>Borrowings</b>		
Short Term debt (A) (Note – 1)	1,338.66	*
Long term debt (B) (Note – 2)	858.39	*
<b>Total Debt (C=A+B)</b>	<b>2,197.05</b>	
<b>Shareholder's funds</b>		
Share Capital	3.00	*
Reserves & Surplus	1768.15	*
<b>Total Shareholder's funds (D)</b>	<b>1,771.15</b>	
<b>Total debt / shareholder's funds (C/D)</b>	<b>1.24</b>	*
<b>Long-term debt / shareholder's funds (B/D)</b>	<b>0.48</b>	*

\* The corresponding post issue figures are not determinable at this stage.

**Notes:**

The above has been computed on the basis of the Restated Summary Statements of Assets & Liabilities of the Company as at September 30, 2024;

- 4) Short term Debts represent which are expected to be paid/payable within 12 months and excludes instalment of term loans repayable within 12 months.
- 5) Long-term debts are borrowings other than short-term borrowings and also includes current maturities of long-term debt included in short-term borrowings.
- 6) The above Statement is based on and should necessarily be read with the Restated Financial Statements of the Company.

## **SECTION VII – LEGAL AND OTHER INFORMATION**

### **OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS**

*Except as stated in this section, there are no outstanding: (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; (iv) disciplinary actions including penalties imposed by SEBI or stock exchanges against the Promoter in the last five financial years, including outstanding action; (v) Other Pending Litigation based on Material Litigations (as disclosed herein below); involving our Company, its Directors, Promoters; or (vi) litigation involving our Group Company, which has a material impact on our Company.*

*Except as stated in this section, there are no: (i) criminal proceedings and (ii) actions by statutory or regulatory authorities, involving our Key Managerial Personnel's ("KMP's") and Senior Management.*

*For the purpose of (v) & (vi) above, our Board, in its meeting held on March 15, 2025 determined that outstanding legal proceedings involving the Company, its Directors, Promoters and Group Company will be considered as material litigation ("**Material Litigation**") based on lower of the threshold criteria mentioned below:*

(i) *As per the policy of materiality defined by the board of directors of the issuer where the aggregate amount involved in such individual litigation exceeds 1% of profit after tax of the Company, as per the last audited financial statements of the Company or such litigations outcome could have a material impact on the business, operations, prospects or reputations of the Company.*

*Or*

- (ii) *Litigation where the value or expected impact in terms of value, exceeds the lower of the following:*
- (a) *two percent of turnover, as per the latest annual restated financial statements of the issuer being ₹ 188.85 lakhs; or*
  - (b) *two percent of net worth, as per the latest annual restated financial statements of the issuer, except in case the arithmetic value of the net worth is negative being ₹ 35.42 lakhs; or*
  - (c) *five percent of the average of absolute value of profit or loss after tax, as per the last three annual restated financial statements of the issuer being ₹17.73 lakhs.*

*The Company has a policy for identification of Material Outstanding Dues to Creditors in terms of the SEBI (ICDR) Regulations, 2018 as amended for creditors where outstanding due to any one of them exceeds ₹5.00% of the Company's trade payables as per the last restated financial statements shall be considered material dues for the company for the purpose of disclosure in this Draft Red Herring Prospectus. ("**Material Dues**"). Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus.*

*Our Company, its Directors and its Promoters are not Willful Defaulters and there have been no violations of securities laws in the past or pending against them.*

#### **A. LITIGATION INVOLVING THE COMPANY**

##### **a) Criminal proceedings against the Company**

*As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against the Company.*

##### **b) Criminal proceedings filed by the Company**

*As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings filed by the Company.*

##### **c) Actions by statutory and regulatory authorities against the Company**

*As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Company.*

##### **d) Tax Proceedings**

*Set out herein below are details of claims relating to direct and indirect taxes involving the Company:*

Nature of Proceedings	Number of cases	Amount involved (₹ in lakhs)
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>

**e) Other pending material litigations against the Company**

As on the date of this Draft Red Herring Prospectus, there are no outstanding litigations initiated against the Company, which have been considered material by the Company in accordance with the Materiality Policy.

**f) Other pending material litigations filed by the Company**

As on the date of this Draft Red Herring Prospectus, there are no other pending material litigations filed by the Company which have been considered material by the Company in accordance with the Materiality Policy.

**B. LITIGATIONS INVOLVING THE PROMOTERS & DIRECTORS OF THE COMPANY**

**a) Criminal proceedings against the Promoters & Directors of the Company**

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings against the Promoters & Directors of the company.

**b) Criminal proceedings filed by the Promoters & Directors of the Company**

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings filed by the Directors of the Company.

**c) Actions by statutory and regulatory authorities against the Promoters & Directors of the Company**

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Directors.

**d) Tax Proceedings**

Set out herein below are details of claims relating to direct and indirect taxes involving our Promoters and Directors:

Tax Proceedings	Number of cases	Amount involved (₹ in lakhs)
<b>Promoters and Directors:</b>		
<b>Direct Tax</b>	Nil	Nil
<b>Indirect Tax</b>	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>

**e) Other pending material litigations against the Promoters & Directors of the Company**

As on the date of this Draft Red Herring Prospectus, there are no such outstanding litigations against the Directors, which have been considered material by the Company in accordance with the Materiality Policy.

**f) Other pending material litigations filed by the Promoters & Directors of the Company**

As on the date of this Draft Red Herring Prospectus, there are no such outstanding litigations initiated filed by the Directors, which have been considered material by the Company in accordance with the Materiality Policy.



**g) Disciplinary actions including penalties imposed by SEBI or stock exchanges against the Promoter in the last five financial years, including outstanding action**

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by SEBI or stock exchanges against the Promoter, nor any penalties have been imposed in the last five years.

**C. LITIGATIONS INVOLVING THE GROUP COMPANY WHICH CAN HAVE A MATERIAL IMPACT ON OUR COMPANY:**

As on the date of this Draft Red Herring Prospectus, we do not have any Group Company.

**D. LITIGATION INVOLVING KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

**(a) Criminal proceedings initiated against our Key Managerial Personnel and Senior Managerial Personnel**

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against our Key Managerial Personnel and Senior Management.

**(b) Criminal proceedings initiated by our Key Managerial Personnel and Senior Managerial Personnel**

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by our Key Managerial Personnel and Senior Managerial Personnel.

**(c) Actions by statutory or regulatory authorities against our Key Managerial Personnel and Senior Managerial Personnel**

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against our Key Managerial Personnel and Senior Managerial Personnel.

**E. OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS**

In accordance with the Materiality Policy, the Board of Directors of our Company considers dues exceeding 5% of our Company's trade payables as per the last Restated financial statements, to small scale undertakings and other creditors, as material dues for our Company.

As per Restated Financial Statements, the trade payables of our Company as on September 30, 2024 were Rs 912.44 lakhs. Accordingly, a creditor has been considered 'material' if the amount due to such creditor exceeds Rs 45.62 lakhs as on September 30, 2024. This materiality threshold has been approved by our Board of Directors pursuant to the resolution passed on February 12, 2025. As on September 30, 2024, there are 4 creditors to each of whom our Company owes amounts exceeding 5.00% of our Company's total trade payables and the aggregate outstanding dues to them being approximately Rs 610.88 lakhs.

Based on this criterion, details of outstanding dues (trade payables) owed to micro, small and medium enterprises (as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006), material creditors and other creditors, as at September 30, 2024, by our Company, are set out below:

*(Amount in Rs. Lakhs)*

Type of Creditors	No. of Creditors	Total Amount Outstanding	No of Material Creditors	Amount of Material Creditors	No of other Creditors	Amount of other Creditors
Dues to micro, small and medium enterprises	25	187.02	1	78.67	24	108.35
Dues to other Creditors	30	725.42	3	532.21	27	193.21
<b>Total</b>	<b>55</b>	<b>912.44</b>	<b>4</b>	<b>610.88</b>	<b>51</b>	<b>301.56</b>

\* As defined under the Micro, Small and Medium Enterprises Development Act, 2006.

\* As certified by M/s. Murari Garg & Co., Chartered Accountants, the Statutory Auditor of our Company pursuant to their certificate dated February 17, 2025

*Details of outstanding dues to creditors (including micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006) as required under the SEBI (ICDR) Regulations have been disclosed on our website at <https://zelioebikes.com/>. It is clarified that such details available on our website do not form a part of this Draft Red Herring Prospectus.*

**MATERIAL DEVELOPMENTS OCCURING AFTER LAST BALANCE SHEET DATE:**

Except as disclosed in Chapter titled *“Management’s Discussion & Analysis of Financial Conditions & Results of Operations”* beginning on page 223 of this Draft Red Herring Prospectus, there have been no material developments that have occurred after the Last Balance Sheet date.

## **GOVERNMENT AND OTHER APPROVALS**

*Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authority's/certification bodies required to undertake the Offer or continue our business activities and except as mentioned below, no further approvals are required for carrying on our present or proposed business activities.*

*In view of the approvals listed below, we can undertake this Offer and our current business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the Offer or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Draft Red Herring Prospectus. The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.*

*The Company has got following licenses / registrations / approvals /consents / permissions from the Government and various other Government agencies required for its present business.*

*For further details in connection with the regulatory and legal framework within which we operate, please refer to the chapter titled 'Key Industry Regulations and Policies' on page 126 of this Draft Red Herring Prospectus.*

### **I. Approvals for the Offer:**

The following approvals have been obtained or will be obtained in connection with the Offer

#### ***Corporate Approvals:***

- a. The Board of Directors has, pursuant to a resolution dated March 15, 2025 under Section 62(1)(c) of the Companies Act, 2013 passed at its meeting held on authorized the Offer, subject to the approval of the shareholders of the Company and approvals by such other authorities, as may be necessary.
- b. The shareholders of the Company have, pursuant to a resolution passed in Extra Ordinary General Meeting held on March 18, 2025 authorized the Offer under Section 62(1)(c) of the Companies Act, 2013.
- c. Our Board approved the Draft Red Herring Prospectus pursuant to its resolution dated March 30, 2025.

#### ***Approval from the Stock Exchange:***

- d. In-principle approval dated [●] from the BSE for listing of the Equity Shares on SME Platform of BSE Limited issued by our Company pursuant to the Offer.

#### ***Agreements with NSDL and CDSL:***

- e. The company has entered into a Tripartite agreement dated February 14, 2025 with the Central Depository Services (India) Limited ("CDSL") and the Registrar and Transfer Agent, who in this case is Maashitla Securities Private Limited for the dematerialization of its shares.
- f. Similarly, the Company has also entered into a Tripartite agreement dated November 08, 2024 with the National Securities Depository Limited ("NSDL") and the Registrar and Transfer Agent, who in this case is Maashitla Securities Private Limited for the dematerialization of its shares.
- g. The Company's International Securities Identification Number ("ISIN") is INE1B3501014

**II. Incorporation related Approvals:**

Sr. No.	Nature of Registration/ License	CIN	Applicable Laws	Issuing Authority	Date of issue	Date of Expiry
1.	Certificate of Incorporation	U34102HR2021PTC096362	Companies Act, 2013	Registrar of Companies, Central Registration Centre	July 15, 2021	Valid till Cancelled
2.	fresh certificate of incorporation consequent upon change of name from “Zelio Auto Private Limited” to “Zelio E-Mobility Private Limited”	U34102HR2021PTC096362	Companies Act, 2013	Registrar of Companies, Central Registration Centre	November 21, 2024	Valid till Cancelled
3.	Fresh Certificate of Incorporation Consequent upon Conversion from Private Company to Public Company	U34102HR2021PLC096362	Companies Act, 2013	Registrar of Companies, Central Processing Centre	November 29, 2024	Valid till Cancelled

**III. Tax Related Approvals:**

Sr. No.	Nature of Registration/ License	Registration/ License No.	Applicable Laws	Issuing Authority	Date of Issue/Renewal	Date of Expiry
1.	Permanent Account Number	AABCZ7775P	Income Tax Act, 1961	Income Tax Department, Government of India	July 15, 2021	Valid till Cancelled
2.	Tax Deduction and Collection Account Number (TAN)	RTKZ00602A	Income Tax Act, 1961	Income Tax Department, Government of India	July 15, 2021	Valid till Cancelled
3.	GST Registration Certificate	06AABCZ7775P1ZD	Central Goods and Services Tax Act, 2017	Government of India	February 02, 2023  Last updated on December 24, 2024	Valid till Cancelled

**IV. Corporate/General Authorizations:**

Sr. No.	Nature of Registration/ License	Registration/ License No.	Applicable Laws	Issuing Authority	Date of Issue/ Renewal	Date of Expiry
1.	Certificate of Importer-Exporter Code (IEC)	AABCZ7775P	Foreign Trade (Development and Regulation) Act, 1992	Ministry of Commerce & Industry, Office of the Joint Director General of Foreign Trade	July 23, 2021  Last updated on December 24, 2024	Valid until Cancelled

Sr. No.	Nature of Registration/ License	Registration/ License No.	Applicable Laws	Issuing Authority	Date of Issue/ Renewal	Date of Expiry
2.	LEI Certificate	335800W5MW YLTIJM5L32	Payment and Settlement Systems Act, 2007	Legal Entity Identifier India Limited	June 28, 2022	June 28, 2025
3.	Udyam Registration Certificate (Medium Enterprise)	UDYAM-HR-06-0010208	Micro, Small and Medium Enterprises Development Act, 2006	Ministry of Micro, Small and Medium Enterprises	August 24, 2021	Valid till Cancelled
4.	Registration Certificate for Producer	7236623157171 374132	Rule 4 of Battery Waste Management Rules, 2022	Member Secretary, Central Pollution Control Board	May 24, 2023	May 23, 2028
5.	World Manufacturer Identifier (WMI) Code for Electric Two Wheelers, Electric Three Wheelers	P5L	Central Motor Vehicle Rules, 1989	SAE International	February 24, 2024	Valid till cancelled
6.	Test Report for Compliance to G.S.R 291 (E) Dated 24.04.2014 – Base Model - EEVA & Variants - Gracy	ICAT/BOV-0829/2021-22/Q-1664	Central Motor Vehicle Rules, 1989	Internal Centre for Automotive Technology	October 01, 2021	-
7.	Test Report for Compliance to G.S.R 291 (E) Dated 24.04.2014 – Base Model - EEVAZX	ICAT/BOV/2022-23/S-2294	Central Motor Vehicle Rules, 1989	Internal Centre for Automotive Technology	January 16, 2023	-
8.	Test Report for Compliance to G.S.R 291 (E) Dated 24.04.2014 – Base Model - Legender	ICAT/BOV/2022-23/S-2295	Central Motor Vehicle Rules, 1989	Internal Centre for Automotive Technology	January 16, 2023	-
9.	Test Report for Compliance to G.S.R 291 (E) Dated 24.04.2014 – Base Model - XMEN	NATRAX/TR/BOV/LP/22-23/S-0119	Central Motor Vehicle Rules, 1989	NATRAX, National Automotive Test Tracks	July 24, 2023	-
10.	Certificate for Compliance to the Central Motor Vehicle Rules – Base Model - Mystery	CATB 0585	Central Motor Vehicle Rules, 1989	Internal Centre for Automotive Technology	June 07, 2024	-
11.	Certificate for Compliance to the Central Motor Vehicle Rules – Base Model – Tanga	CATB 0463	Central Motor Vehicle Rules, 1989	Internal Centre for Automotive Technology	May 08, 2024	-
12.	Certificate for Compliance to the Central Motor Vehicle Rules – Base Model – Tanga E-Loader	CATB 1092	Central Motor Vehicle Rules, 1989	Internal Centre for Automotive Technology	December 19, 2024	-

Sr. No.	Nature of Registration/ License	Registration/ License No.	Applicable Laws	Issuing Authority	Date of Issue/ Renewal	Date of Expiry
13.	Certificate of Registration of Shop and Establishment for Warehouse at: Balsamand Road, 872, Near Goyal Steel Tubes, Vill Chandan Nagar, Hisar – 125001, Haryana, India	PSA/REG/HSR/0257127	The Punjab shops and commercial Establishments Act, 1958	Labour Department, Government of Haryana	January 11, 2022	Exempted from Renewal
14.	Certificate of Registration of Shop and Establishment for Registered Office at: Shop No. 542, 1 <sup>st</sup> Floor, Auto Market, Hisar – 125001, Haryana, India	PSA/REG/HSR/ LI-HSR-3/0371751	The Punjab shops and commercial Establishments Act, 1958	Labour Department, Government of Haryana	February 16, 2025	Exempted from Renewal

\*As per the notification dated November 21, 2018, issued by the Labour Department, Government of Haryana, all commercial establishments, including shops, have been exempted from the requirement of renewing their registration under the Punjab Shops and Commercial Establishments Act, 1958, on or before March 31 of every year, as mandated under Section 13(2)(ii) of the Act.

#### V. Approvals obtained in relation to business operations of our Company:

**Corporate Office & Manufacturing Unit – Khewat No 510 442, Hisar Road Ladwa, Hisar – 125006, Haryana, India.**

Sr. No.	Nature of Registration/ License	Registration / License No.	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry
1.	Registration & License to work a Factory	HSR-ONLINE-CHD-Z-397	Factories Act, 1948	Chief Inspector of Factories, Haryana	July 25, 2024	December 31, 2033
2.	Fire Safety Certificate	Memo No. FS/2025/97	The Haryana Fire and Emergency Services Act, 2022	Director General, Fire Service, Haryana Panchkula	January 23, 2025	January 22, 2028
3.	Consent to Establish under Green Category	330015525HISCTE96183572	Section 25/26 of the Water (Prevention & Control of Pollution) Act, 1974 and under section 21/22 of the Air (Prevention & Control of Pollution) Act, 1981	Regional Officer, Hisar, Haryana State Pollution Control Board	March 19, 2025	March 18, 2030






**VI. Labour Related Approvals obtained by our Company:**

Sr. No.	Nature of Registration/ License	Registration/ License No.	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry
1.	Registration under Employees' Provident Funds And Miscellaneous Provisions Act, 1952	GNRTK2416701000	Employees' Provident Funds & Miscellaneous Provisions Act, 1952	Employee Provident Fund Organisation	July 15, 2021	Valid till Cancelled
2.	Registration under Employees' State Insurance Corporation (ESIC)	13000977480000999	Employee's State Insurance Act, 1948	Regional Office, Employees State Insurance Corporation, Haryana	July 16, 2021	Valid till Cancelled

**VII. Quality Certifications:**

Sr. No.	Nature of Registration/ Certification	Registration/ Certificate No.	Description	Issuing Authority	Date of Issue	Date of Expiry
1.	Certificate of Registration	SCC/2502ZM/2648	ISO 9001:2015 (Quality Management System)	QFS Management Systems LLP	February 07, 2025	February 06, 2028
2.	Certificate of Registration	SCC/2502ZM/2649	ISO 14001:2015 (Environmental Management System)	QFS Management Systems LLP	February 07, 2025	February 06, 2028
3.	Certificate of Registration	SCC/2502ZM/2650	ISO 45001:2018 (Occupational Health & Safety Management System)	QFS Management Systems LLP	February 07, 2025	February 06, 2028

**VIII. Intellectual property related approvals:**

S. No.	Trademark	Class	TM Category	Owner	Application No.	Date of Application	Status
1.		12	Device	Zelio Auto Private Limited	4967525	May 07, 2021	Registered
2.		39	Device	Zelio Auto Private Limited	5962325	June 02, 2023	Registered
3.		12	Device	Zelio Auto Private Limited	5962326	June 02, 2023	Registered
4.		12	Device	Zelio Auto Private Limited	6153355	October 17, 2023	Registered
5.		35	Device	Zelio Auto Private Limited	6153356	October 17, 2023	Registered

S. No.	Trademark	Class	TM Category	Owner	Application No.	Date of Application	Status
6.	TONGA	12	Word	Zelio Auto Private Limited	6153357	October 17, 2023	Registered
7.		35	Device	Zelio Auto Private Limited	5639939	October 08, 2022	Registered
8.		12	Device	Zelio Auto Private Limited	6376602	April 06, 2024	Registered
9.		12	Device	Zelio Auto Private Limited	5962327	June 02, 2023	Accepted and Advertised
10.		9	Device	Zelio Auto Private Limited	6623633	September 13, 2024	Formalities Chk Pass
11.	ZELIO	35	Word	Zelio Auto Private Limited	6376601	April 06, 2024	Opposed
12.		12	Device	Zelio Auto Private Limited	5962323	June 02, 2023	Opposed
13.		37	Device	Zelio Auto Private Limited	5962324	June 02, 2023	Opposed
14.	ZELIO	12	Word	Zelio Auto Private Limited	6376600	April 06, 2024	Opposed
15.		12	Device	Zelio Auto Private Limited	5997105	June 26, 2023	Objected
16.	ELECTRIDE	12	Word	Zelio Auto Private Limited	6290963	February 07, 2024	Objected

**Design:**

S. No.	Design	Class	Applicant	Application No.	Issuing Authority	Date of Application	Status
1	ELECTRIC SCOOTER	12-11	Zelio Auto Private Limited	386390-001	Controller General of Patents, Designs and Trade Marks	16/05/2023	Registered



**IX. Licenses/ Approvals for which applications have been made by our Company and are pending for approval:**

1. The Company has applied for No Objection Certificate (NOC) for Ground Water Abstraction for its Corporate Office & Manufacturing Unit situated at Khewat No 510 442, Hisar Road Ladwa, Hisar – 125006, Haryana, vide application number HWRA/IND/N/2025/8990, which is under process and pending for registration.
2. The Company has applied for Consent to operate for its Corporate Office & Manufacturing Unit situated at Khewat No 510 442, Hisar Road Ladwa, Hisar – 125006, Haryana, vide application number 98617582 which is under process and pending for registration.

**X. Licenses/ Approvals are yet to be applied by Company:**

1. The Company is yet to apply for change of its name in some of the permits, licenses and approvals, which has been obtained under the Company's former name and address.

### **OUR GROUP COMPANY**

In accordance with the provisions of the SEBI (ICDR) Regulations, 2018, for the purpose of identification of Group Company, our Company has considered (i) such companies (other than promoter(s) and subsidiary/subsidiaries) with which there were related party transactions, during the period for which Restated Financial Statements is disclosed, as covered under the applicable accounting standards, and (ii) any other companies which are considered material by the board.

In respect of point (ii) above, our Board, in its meeting held on February 12, 2025, has considered and adopted a policy of materiality for the identification of companies that shall be considered material and disclosed as a 'group company' in this Draft Red Herring Prospectus. In terms of such materiality policy, if such company fulfills both the below mentioned conditions: -

- a. the companies with which there were related party transactions (in accordance with AS-18), as disclosed in the Restated Financial Statements ("**Restated Financial Statements**"); or
- b. if such company fulfills both the below mentioned conditions: -
  - i. Such company that forms part of the Promoter Group of the Company in terms of Regulation 2(1)(pp) of the SEBI (ICDR) Regulations; and
  - ii. the Companies who entered into one or more transactions with such company in preceding fiscal or audit period as the case may be, exceeding 10.00% of total revenue of the Company as per Restated Financial Statements.

Accordingly, based on the parameters outlined above, as on the date of this Draft Red Herring Prospectus, there are no company / entity falling under definition of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 which are to be identified as group company/entities ("**Group Company**").

**OTHER REGULATORY AND STATUTORY DISCLOSURES****Authority for the Offer:****Corporate Approvals:**

The Board of Directors, pursuant to a resolution passed at their meeting held on March 15, 2025 authorized the Offer, subject to the approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013, and such other authorities as may be necessary. The shareholders of our Company have, pursuant to a special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extraordinary General Meeting held on March 18, 2025 authorized the Offer. Further, our Board has taken on record the consents of the Promoter Selling Shareholders to participate in the Offer for Sale, pursuant to its resolution dated March 15, 2025.

Our Board has approved this Draft Red Herring Prospectus pursuant to its resolution dated March 30, 2025.

**Authorisation by Promoter Selling Shareholders**

Each of the Promoter Selling Shareholder has, severally and not jointly authorised and confirmed inclusion of their respective portion of the Offered Shares as part of the Offer for Sale, as set out below:

Sr. No.	Name of the Selling Shareholder	Authorisation Letter dated	Number of Equity Shares held	Maximum number of Offered Shares	Percentage of pre-Offer Equity Share capital (%)
1.	Niraj Arya	March 15, 2025	55,09,449	3,80,000	2.30
2.	Kunal Arya	March 15, 2025	55,08,898	3,80,000	2.30
3.	Deepak Arya	March 15, 2025	55,09,449	3,80,000	2.30
	<b>Total</b>		<b>1,65,27,796</b>	<b>11,40,000</b>	<b>6.90</b>

Each of the Promoter Selling Shareholder, specifically confirm that, as required under Regulation 8 of the SEBI ICDR Regulations, they have held their portion of the Offered Shares for a period of at least one year prior to the filing of this Draft Red Herring Prospectus and are eligible for being offered in the Offer for Sale. For more details, please see “*Capital Structure*” beginning on page 69.

**In-principle Approval:**

Our Company has received an In-Principle Approval letter dated [●] from BSE Limited for using its name in this Draft Red Herring Prospectus for listing our shares on the SME Platform of BSE Limited. SME Platform of BSE Limited is the Designated Stock Exchange for the purpose of this Offer.

**Prohibition by SEBI or other Governmental Authorities:**

We confirm that there is no prohibition on our Company, Promoter Selling shareholders, our Promoters, our Promoter Group, our Directors, or the person(s) in control of our Company and companies or entities with which our Company’s Directors are associated as Directors / Promoters / Partners from accessing or operating in the Capital Markets or debarment from buying, selling or dealing in securities under any order or direction passed by the Board (SEBI) or any securities market regulator in any other jurisdiction or any other authority/ court.

The listing of any securities of our Company has never been refused by any of the Stock Exchanges in India.

Neither our Company, nor Promoters, nor Promoter Group, nor Promoter Selling Shareholders, nor any of our directors or persons in control of our Company are / were associated as promoters, directors or persons in control of any other Company which is debarred from accessing or operating in the capital markets under any order or directions made by the SEBI or any other regulatory or Governmental Authorities.

There has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the chapter “*Outstanding Litigations and Material Development*” beginning on page 235 of this Draft Red Herring Prospectus.

**Association with Securities Market:**

None of our Directors are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our Directors are associated as promoters or directors in the past 5 years.

**Prohibition by RBI:**

Neither our Company, our Promoters, our Directors, relatives (as per Companies Act, 2013) of Promoters or the person(s) in control of our Company have been identified as a wilful defaulter or a fugitive economic offender or a fraudulent borrower and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the chapter "*Outstanding Litigations and Material Development*" beginning on page 235 of this Draft Red Herring Prospectus.

**Prohibition with respect to wilful defaulters or a fraudulent borrower:**

Neither our Company, our Promoters, our Directors, Group company, relatives (as per Companies Act, 2013) of Promoters or the person(s) in control of our Company have been identified as wilful defaulters or a fraudulent borrower as defined by the SEBI ICDR Regulations, 2018.

**Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018:**

Under the SBO Rules certain persons who are 'significant beneficial owners', are required to intimate their beneficial holdings to our Company in Form no. BEN-1. As on date of Draft Red Herring Prospectus, there are no such significant beneficial owners in our Company.

**Confirmations**

Our Company confirms that it is not ineligible to make the Issue in terms of Regulation 228 of the SEBI ICDR Regulations. The details of our compliance with Regulation 228 of the SEBI ICDR Regulations are as follows:

- i. Neither our company, nor any of its promoters, promoter group or directors are debarred from accessing the capital market by the Board.
- ii. Neither our promoters, nor any directors of our company are a promoter or director of any other company which is debarred from accessing the capital market by the Board.
- iii. Neither our Company, nor our Promoters or our directors, is a Willful Defaulter or a fraudulent borrower.
- iv. Neither our Promoters nor any of our directors is declared as Fugitive Economic Offender.
- v. There are no outstanding convertible securities or any other right which would entitle any person with any option to receive equity shares of the issuer.

**Eligibility for the Offer:**

Our Company has complied with the conditions of Regulation 230 of SEBI (ICDR) Regulations, 2018 for this Offer.

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations; and this Offer is an "Initial Public Offer" in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Offer in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations, as we are an Issuer whose post Offer paid up capital is more than ten crore rupees and we may hence issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange {in this case being the "SME Platform of BSE Limited ("BSE SME")".

**In terms of Regulation 229(3) of the SEBI ICDR Regulations, we confirm that we have fulfilled the eligibility criteria for SME Platform of BSE Limited, which are as follows:**

1. The Company was originally incorporated as a private limited Company in the name of “Zelio Auto Private Limited” under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated on July 15, 2021 issued by the Registrar of Companies, Central Registration Centre, bearing CIN: U34102HR2021PTC096362. Further, pursuant to Special Resolution passed by the shareholders at the Extra Ordinary General Meeting held on October 25, 2024, the name of our Company was changed from “Zelio Auto Private Limited” to “Zelio E-Mobility Private Limited” and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Central Processing Centre vide letter dated November 21, 2024. Subsequently, our Company was converted into a Public Limited Company vide Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting, held on November 22, 2024 and consequently the name of our Company was changed from “Zelio E-Mobility Private Limited” to “Zelio E-Mobility Limited” vide a fresh certificate of incorporation consequent upon conversion from private company to public company dated November 29, 2024 issued by the Registrar of Companies, Central Processing Centre. Our Company’s Corporate Identity Number is U34102HR2021PLC096362
2. The post issue paid up capital of the company will be less than ₹ 25 Crores.
3. The Company has a track record of at least 3 years as on the date of filling Draft offer Document/offer document.
4. The company \*Net Tangible Assets Rs. 1,066.55 lakhs for the year ended on March 31, 2024.

\*Net Tangible Assets represent Net Assets less Intangible Assets. Net Assets means Net Worth.

Calculation of Net Tangible Assets for the last preceding (full) financial year i.e. FY 2021-22, FY 2022-23, FY 2023-24 and for the period ended on September 30, 2024:

(Rs. in lakhs)

Particulars	For the period/ year ended on			
	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Net Assets	1,771.15	1,066.55	435.67	130.14
<b>Less: Intangible Assets</b>	-	-	-	-
<b>Net Tangible Assets</b>	<b>1,771.15</b>	<b>1,066.55</b>	<b>435.67</b>	<b>130.14</b>

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 September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 is positive.

(Amt. in ₹ lakhs)

Particulars	For the period/ year ended on			
	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
EBITDA	928.58	875.53	401.91	154.25
Net worth	1,771.25	1,066.25	435.67	130.14

6. The Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR) or no proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies;
7. The leverage ratio (Total Debt to Equity) of the company which is less than the limit of 3:1, as for the period ended September 30, 2024 is 1.24.
8. There is no winding up petition against The Company that has been admitted by the Court or a liquidator has not been appointed of competent Jurisdiction against the Company.
9. There is no default in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the applicant, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) during the past three years.
10. The Company confirms that there is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years in respect of promoter, Group Companies, companies promoted by the promoter of the Company;

11. 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.
12. There has been 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.
13. Our Company has not been referred to the National Company Law Tribunal (NCLT) under Insolvency and Bankruptcy Code, 2016.
14. In the last one year, name of the company has been changed from “Zelio Auto Private Limited” to “Zelio E-Mobility Limited”. and there has been no change in the business activity indicated by the name of the company, in the preceding 1 full financial year, from which it has been earning revenue.
15. None of the Directors of our Company have been categorized as a Wilful Defaulter or fraudulent borrowers.
16. Our composition of the board is in compliance with the requirements of Companies Act, 2013.
17. 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 non-compliance.
18. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company
19. There are no litigations record against the applicant, promoters/promoting company(ies), group companies, companies & promoted by the promoters/promoting company(ies) except as stated in the section titled “***Outstanding Litigation and Material Developments***” of the Draft Red Herring Prospectus.
20. There are no criminal cases/investigation/offences filed against the director of the company except as stated in the section titled “***Outstanding Litigation and Material Developments***” of the Draft Red Herring Prospectus.
21. There has been no change in the promoter/s of the Company in the preceding one year from date of filing application to BSE for listing under SME segment.
22. 100% of the promoter’s shareholding in the company is in dematerialized form.
23. Company has a functional website i.e www.zelioebikes.com.
24. Company has facilitated trading in demat securities and has entered into an agreement with both the depositories.

We further confirm that we comply with all the above requirements / conditions so as to be eligible to be listed on the SME Platform of BSE.

**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 Offer will be 100% underwritten and that the BRLM to the Offer shall underwrite minimum 15% of the Total Offer Size. For further details pertaining to said underwriting please refer to section titled “***General Information – Underwriting***” beginning on page 65 of this Draft Red Herring Prospectus.
- 2) In accordance with Regulation 261(1) of the SEBI (ICDR) Regulations, we hereby confirm that we will enter into an agreement with the BRLM and with Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the SME Platform of BSE Limited (BSE SME). For further details of the arrangement of market making please refer to section titled “***General Information – Details of the Market Making Arrangements for this Offer***” beginning on page 66 of this Draft Red Herring Prospectus.

- 3) In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Offer shall be greater than or equal to two hundred (200), otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within four (4) 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 four (4) Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act 2013.
- 4) In terms of Regulation 246(5) of the SEBI (ICDR) Regulations, we shall ensure that our BRLM submits a copy of the Red Herring Prospectus/ Prospectus along with a Due Diligence Certificate to which the site visit report of the issuer prepared by the lead manager(s) shall also be annexed including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies. Further, in terms of Regulation 246(2), SEBI shall not issue observation on the offer document.
- 5) Further, in terms of Regulation 246 (4) of the SEBI (ICDR) Regulations, 2018 the prospectus will be displayed from the date of filing in terms of sub-regulation (1) on the website of the SEBI, the Book Running Lead Manager and the BSE SME.
- 6) In accordance with Regulation 228(a) of the SEBI (ICDR) Regulations, our Company, its promoters, promoter group or directors are not debarred from accessing the capital markets by the Board;
- 7) In accordance with Regulation 228(b) of the SEBI (ICDR) Regulations, the companies with which our promoters or directors are associated as a promoter or director are not debarred from accessing the capital markets by the Board;
- 8) In accordance with Regulation 228(c) of the SEBI (ICDR) Regulations, Neither the issuer nor any of its promoter or directors is a wilful defaulter or a fraudulent borrower.
- 9) In accordance with Regulation 228(d) of the SEBI (ICDR) Regulations, None of the Issuer's promoter or directors is a fugitive economic offender.
- 10) In accordance with Regulation 228(e) of the SEBI (ICDR) Regulations, there are no any outstanding convertible securities or any other right which would entitle any person with any option to receive equity shares of the issuer.
- 11) In accordance with Regulation 230(1)(a) of the SEBI (ICDR) Regulations, Application is being made to SME Platform of BSE Limited ("BSE SME") is the Designated Stock Exchange.
- 12) In accordance with Regulation 230(1)(b) of the SEBI (ICDR) Regulations, our Company has entered into agreement with depositories for dematerialisation of specified securities already issued and proposed to be issued.
- 13) In accordance with Regulation 230(1)(c) of the SEBI (ICDR) Regulations, all the present Equity share Capital is fully Paid-up.
- 14) In accordance with Regulation 230(1)(d) of the SEBI (ICDR) Regulations, all the specified securities held by the promoter is already in dematerialised form.

We confirm that there is no material clause of Article of Association that has been left out from disclosure having bearing on the IPO.

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:

1. Our Company has facilitated trading in demat securities and has entered into an agreement with both the depositories. Our Company has entered into an agreements with the Central Depository Services Limited (CDSL) dated February 14, 2025 and National Securities Depository Limited dated November 08, 2024 for establishing connectivity.
2. Our Company has a website i.e. <https://zelioebikes.com/>
3. The Equity Shares of our Company held by our Promoters are in dematerialised form; and
4. All the Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this Draft Red Herring Prospectus.

5. There has been no change in the promoter(s) having significant change in control over the affairs of the Company in the one year preceding the date of filing application to SME Platform of BSE Limited (“BSE SME”).

#### **DISCLAIMER CLAUSE OF SEBI**

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT 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 OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER, HEM SECURITIES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGER, HEM SECURITIES LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, HEM SECURITIES LIMITED, HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED MARCH 30, 2025 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED.

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/ OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. 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 DRAFT RED HERRING PROSPECTUS.

All legal requirements pertaining to the Offer will be complied with at the time of filing of the Prospectus with the Registrar of Companies, Delhi and Haryana in terms of sections 26, 30, 32 and 33 of the Companies Act, 2013.

#### **Statement on Price Information of Past Issues handled by Hem Securities Limited:**

Sr. No.	Issue name	Issue size (₹ in Cr.)	Issue Price (₹)	Listing date	Opening Price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]-30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-180 <sup>th</sup> calendar days from listing
<b>Mainboard IPO's</b>								
1.	Manba Finance Limited <sup>^</sup>	150.84	120.00	September 30, 2024	145.00	15.89% [-5.21%]	30.34% [-7.74%]	10.35% [-8.88%]
2.	Enviro Infra Engineers Limited <sup>^</sup>	650.43	148.00	November 29, 2024	220.00	116.12% [-1.32%]	49.46% [-6.56%]	N.A.
<b>SME IPO's</b>								
1.	Vision Infra Equipment Solutions Limited	106.21	163.00	September 13, 2024	205.00	0.25% [1.55%]	9.72% [-2.82%]	-25.95% [-11.27%]



Sr. No.	Issue name	Issue size (₹ in Cr.)	Issue Price (₹)	Listing date	Opening Price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]-30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-180 <sup>th</sup> calendar days from listing
2.	Shubhshree Biofuels Energy Limited	16.56	119.00	September 16, 2024	189.00	90.76% [-1.29%]	175.21% [-2.42%]	160.50% [-11.77%]
3.	Wol 3D India Limited	25.56	150.00	September 30, 2024	180.05	-5.70% [-5.21%]	-7.33% [-7.74%]	-28.27% [-8.88%]
4.	Unilex Colours and Chemicals Limited	31.32	87.00	October 03, 2024	89.00	-12.64% [-4.97%]	-1.03% [-6.36%]	-45.40% [-6.85%]
5.	Sahasra Electronic Solutions Limited	186.16	283.00	October 04, 2024	537.70	171.52% [-3.24%]	80.88% [-5.08%]	N.A.
6.	Forge Auto International Limited	31.10	108.00	October 04, 2024	113.00	-9.35% [-3.24%]	-16.94% [-5.08%]	N.A.
7.	Danish Power Limited	197.90	380.00	October 29, 2024	570.00	129.74% [-0.78%]	132.33% [-5.62%]	N.A.
8.	Readymix Construction Machinery Limited	37.66	123.00	February 13, 2025	123.00	-33.25% [-2.75%]	N.A.	N.A.

Source: Price Information [www.bseindia.com](http://www.bseindia.com) & [www.nseindia.com](http://www.nseindia.com), Issue Information from respective Prospectus.

^NSE as designated stock exchange

- 1) The scrip of Sahasra Electronic Solutions Limited, Forge Auto International Limited, Danish Power Limited, Enviro Infra Engineers Limited have not completed its 180<sup>th</sup> day from the date of listing and Readymix Construction Machinery Limited has not completed its 90<sup>th</sup> day from the date of listing.

#### Summary statement of Disclosure:

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ Cr.)	No. of IPOs trading at discount- 30th calendar days from listing			No. of IPOs trading at Premium- 30th calendar days from listing			No. of IPOs trading at discount- 180th calendar days from listing			No. of IPOs trading at Premium- 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2022-23	15 <sup>(1)</sup>	220.57	-	-	-	6	6	3	-	-	-	12	-	3
2023-24	21 <sup>(2)</sup>	680.45	-	-	1	12	5	3	-	-	2	12	5	2
2024-25	26 <sup>(3)</sup>	2,152.26	-	1	5	11	2	7	-	4	1	9	2	5

- 1) The scrip of Krishna Defence and Allied Industries Limited was listed on April 6, 2022; Eighty Jewellers Limited was listed on April 13, 2022; Kesar India Limited was listed on July 12, 2022; Silicon Rental Solutions Limited was listed on October 10, 2022; Cargosol Logistics Limited was listed on October 10, 2022; Cargotrans Maritime Limited was listed on October 10, 2022; Concord Control Systems Limited was listed on October 10, 2022; Lloyds Luxuries Limited was listed on October 11, 2022; Vedant Asset Limited was listed on October 12, 2022; Baheti Recycling Industries Limited was listed on December 08, 2022; Chaman Metalics Limited was listed on January 16, 2023; Earthstahl & Alloys Limited was listed on February 08, 2023; Macfos Limited was listed on March 01, 2023; Systango Technologies Limited was listed on March 15, 2023 and Labelkraft Technologies Limited was listed on March 23, 2023.

- 2) The scrip of Vasa Denticity Limited was listed on June 02, 2023; Hemant Surgical Industries Limited was listed on June 05, 2023; Greenchef Appliances Limited was listed on July 06, 2023; Kaka Industries Limited was listed on July 19, 2023; Asarfi Hospital Limited was listed on July 26, 2023; Kahan Packaging Limited was listed on September 15, 2023; Madhusudan Masala Limited was listed on September 26, 2023; Saakshi Medtech And Panels Limited was listed on October 03, 2023; Arabian Petroleum Limited was listed on October 09, 2023, E Factor Experiences Limited was listed on October 09, 2023, Paragon Fine and Speciality Chemical Limited was listed on November 03, 2023, Deepak Chemtex Limited was listed on December 06, 2023, S J Logistics

(India) Limited was listed on December 19, 2023, Siyaram Recycling Industries Limited was listed on December 21, 2023, Shanti Spintex Limited was listed on December 27, 2023, Shri Balaji Valve Components Limited was listed on January 03, 2024, New Swan Multitech Limited was listed on January 18, 2024, Harshdeep Hortico Limited was listed on February 05, 2024, Megatherm Induction Limited was listed on February 05, 2024, Sona Machinery Limited was listed on March 13, 2024 and Enfuse Solutions Limited was listed on March 22, 2024.

- 3) The scrip of Aspire & Innovative Advertising Limited was listed on April 03, 2024, Blue Pebble Limited was listed on April 03, 2024, Amkay Products Limited was listed on May 08, 2024, TGIF Agribusiness Limited was listed on May 15, 2024, Energy-Mission Machineries (India) Limited was listed on May 16, 2024, Aztec Fluids & Machinery Limited was listed on May 17, 2024, Premier Roadlines Limited was listed on May 17, 2024, Vilas Transcore Limited was listed on June 03, 2024, Aimtron Electronics Limited was listed on June 06, 2024; Ganesh Green Bharat Limited was listed on July 12, 2024; Chetana Education Limited was listed on July 31, 2024, Aprameya Engineering Limited was listed on August 01, 2024, Sunlite Recycling Industries Limited was listed on August 20, 2024, Aeron Composite Limited was listed on September 04, 2024, Namu eWaste Management Limited was listed on September 11, 2024, My Mudra Fincorp Limited was listed on September 12, 2024, Vision Infra Equipment Solutions Limited was listed on September 13, 2024, Shubhshree Biofuels Energy Limited was listed on September 16, 2024, Wol 3D India Limited was listed on September 30, 2024, Manba Finance Limited was listed on September 30, 2024, Unilex Colours and Chemicals Limited was listed on October 03, 2024, Sahasra Electronic Solutions Limited was listed on October 04, 2024, Forge Auto International Limited was listed on October 04, 2024, Danish Power Limited was listed on October 29, 2024, Enviro Infra Engineers Limited was listed on November 29, 2024 and Readymix Construction Machinery Limited was listed on February 13, 2025.

**Note:**

- a) Based on date of listing.
- b) CNX NIFTY and BSE SENSEX have been considered as the benchmark index.
- c) Price on NSE or BSE is considered for all of the above calculations as per the designated stock exchange disclosed by the respective issuer at the time of the issue, as applicable.
- d) In case the 30<sup>th</sup>/90<sup>th</sup>/180<sup>th</sup> calendar day is a holiday or scrips are not traded, then data from previous trading day has been considered.
- e) N.A. – Period not completed.
- f) As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect max. 10 issues (initial public offerings) managed by the Book Running Lead Manager. Hence, disclosures is restricted to last 10 equity issues handled by Book Running Lead Manager.

**Track Record of past issues handled by Hem Securities Limited:**

For details regarding track record of BRLM to the Offer as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the BRLM at: [www.hemsecurities.com](http://www.hemsecurities.com)

**Disclaimer from our Company, Promoters, Promoter Selling Shareholder and the Book Running Lead Manager:**

Our Company, our Directors, Promoter Selling Shareholders and the BRLM accept no responsibility for statements made otherwise than those contained in this Draft Red Herring 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 would be doing so at his or her own risk. It is clarified that neither the Promoter Selling Shareholder, nor their affiliates, associates and officers, accept and/or undertake any responsibility for any statements made or undertakings provided other than those specifically made or undertaken by such Promoter Selling Shareholder in relation to itself and/or the Equity Shares offered by him through the Offer for Sale.

The BRLM accept no responsibility, save to the limited extent as provided in the Offer agreement entered between the BRLM (Hem securities Limited), Promoter Selling Shareholder and our Company on March 20, 2025 and the Underwriting Agreement dated [●] entered into between the Underwriters, Promoter Selling Shareholder and our Company and the Market Making Agreement dated [●] entered into among the Market Maker and our Company.

All information shall be made available by our Company and the BRLM 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 BRLM and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, the Promoter Selling Shareholder, 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, and our affiliates or associates, for which they have received and may in future receive compensation.

### **Disclaimer Clause of the Promoter Selling Shareholders**

The promoter selling shareholder will be severally responsible for the respective statements confirmed or undertaken by it in this Draft Red Herring Prospectus in relation to itself and its respective portion of the offered shares.

#### **Note:**

Investors who apply in the Offer will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Offer.

### **Disclaimer in Respect of Jurisdiction:**

This Offer is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of ₹2,500.00 Lakhs and pension funds with a minimum corpus of ₹2,500.00 Lakhs, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Draft Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe for Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Offer will be subject to jurisdiction of the competent court(s) in Jaipur, Rajasthan 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, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

### **DISCLAIMER CLAUSE OF THE SME PLATFORM OF BSE**

As required, a copy of this Draft Red Herring Prospectus has been submitted to BSE SME.

"BSE Limited ("BSE") has vide its letter dated [●], given permission to the Company 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 offer 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.

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 Haryana.

**Disclaimer Clause under Rule 144A of the U.S. Securities Act:**

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the “Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

**Filing**

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

The Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018. Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

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

**Listing:**

The Equity Shares of our Company are proposed to be listed on SME Platform of BSE Limited. Our Company has obtained in-principle approval from BSE by way of its letter dated [●] for listing of equity shares on SME Platform of BSE Limited.

SME Platform of BSE Limited (BSE SME) will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Offer. If the permissions to deal in, and for an official quotation of, the Equity Shares are not granted by any of the Stock Exchanges mentioned above, our Company will forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus, in accordance with applicable law. Promoter Selling Shareholders shall to the extent of their portion of

the Offered Shares, be responsible to pay, or reimburse, as the case may be, in the proportion that the size of their portion of Offered Shares in the Offer for Sale bears to the total size of the Offer, any interest for such delays in making refunds only in the event any delay in making such refund is caused solely by, and is directly attributable to an act or omission of Promoter Selling Shareholders and in such cases where any delay is not attributable to Promoter Selling Shareholders, the Company shall solely be responsible to pay such interest in the manner agreed under the Offer Agreement.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges are taken within three Working Days from the Bid/ Offer Closing Date or within such other period as may be prescribed. Each of Promoter Selling Shareholders, severally and not jointly, confirms that it shall extend reasonable support and co-operation (to the extent of its portion of the Offered Shares) as required by law for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within three Working Days from the Bid/Offer Closing Date, or within such other period as may be prescribed.

If our Company does not Allot the Equity Shares within two Working Days from the Bid/Offer Closing Date or within such timeline as prescribed by SEBI, all amounts received in the Public Offer Accounts will be transferred to the Refund Account and it shall be utilised to repay, without interest, all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period, as prescribed under applicable law. For avoidance of doubt, no liability to make any payment of interest or expenses shall accrue to any Promoter Selling Shareholder unless the delay in making any of the payments/refund hereunder or the delay in obtaining listing or trading approvals or any other approvals in relation to the Offer is caused solely by, and is directly attributable to, an act or omission of such Promoter Selling Shareholder and to the extent of their portion of the Offered Shares.

**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-

- 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 to action under section 447 of the Companies, Act 2013.

**Consents:**

Consents in writing of (a) Our Directors, Our Company Secretary & Compliance Officer, Senior Management, Chief Financial Officer, Our Statutory Auditor, Our Peer Reviewed Auditor, Banker to the Company; (b) Book Running Lead Manager, Syndicate Member\*, Registrar to the offer, Monitoring Agency\*, Banker to the Offer (Sponsor Bank)\*, Legal Advisor to the offer, Underwriter to the offer\* and Market Maker to the offer\* to act in their respective capacities have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 26 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of filing of the Prospectus with the RoC.

*\*The aforesaid will be appointed prior to filing of Red Herring Prospectus with RoC and their consents as above would be obtained prior to the filing of the Red Herring Prospectus with RoC.*

In accordance with the Companies Act and the SEBI (ICDR) Regulations, M/s. S.P. Chopra & Co., Chartered Accountants, Peer Reviewed Auditor of the Company has agreed to provide their written consent to the inclusion of their respective reports on Statement of Special Tax Benefits relating to the possible tax benefits, Statement of financial indebtedness and Restated Financial Statements as included in this Draft Red Herring Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of this Draft Red Herring Prospectus.

**Expert Opinion:**

Except for the reports mentioned in the section titled "**Financial Information of the Company**", "**Statement of Special Tax Benefits**" and "**Statement of financial indebtedness**" on page 169, Page 98 and 220 respectively of this Draft Red Herring Prospectus from the

Peer Review Auditor, our company has not obtained any expert opinions. We have received written consent from the Peer Review Auditor for inclusion of their name in this Draft Red Herring 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 Draft Red Herring Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act, 1933.

**Fees, Brokerage and Selling Commission payable:**

The total fees payable to the Book Running Lead Manager will be as per the (i) Offer Agreement dated March 20, 2025 with the Book Running Lead Manager, Promoter Selling shareholders and Hem Securities Limited, (ii) the Underwriting Agreement dated [●] with Underwriter and (iii) the Market Making Agreement dated [●] with Market Maker, a copy of which is available for inspection at our Corporate Office from 10.00 AM to 5.00 PM on Working Days from the date of the Prospectus until the Offer Closing Date.

**Fees Payable to the Registrar to the Offer:**

The fees payable to the Registrar to the Offer for processing of applications, data entry, printing of CAN, tape and printing of bulk mailing register will be as per the agreement between our Company, Promoter Selling Shareholder and the Registrar to the Offer dated March 21, 2025 a copy of which is available for inspection at our Company’s Corporate Office.

The Registrar to the Offer will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty, and communication expenses. Adequate funds will be provided to the Registrar to the Offer to enable it to send allotment advice by registered post/ speed post.

**Particulars regarding Public or Rights Issues during the last three (3) years:**

Our Company has not made any previous public or rights issue in India or Abroad the three (3) years preceding the date of this Draft Red Herring Prospectus.

**Previous issues of Equity Shares otherwise than for cash:**

For detailed description please refer to section titled “*Capital Structure*” beginning on page 69 of this Draft Red Herring Prospectus.

**Underwriting Commission, brokerage and selling commission on Previous Issues:**

Since this is the initial public offering of our Company’s Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares in last five (5) years.

**Particulars in regard to the company and other listed group companies/ subsidiaries/ associates which made any capital issue during the last three years:**

There have been no public issues or rights issues undertaken by our Company during the five years immediately preceding the date of this Draft Red Herring Prospectus. Further, our Company does not have any listed group companies, subsidiaries or associates.

**Performance vis-a-vis objects – Public/ Right issue of our Company:**

Our Company has not undertaken any public, including any rights issues to the public in the five years immediately preceding the date of this Draft Red Herring Prospectus.

**Option to Subscribe:**

- a) Investors will get the allotment of specified securities in dematerialization form only.
- b) The equity shares, on allotment, shall be traded on stock exchange in Demat segment only.

**Outstanding Debentures or Bond Issues or Redeemable Preference Shares:**

Our Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the date of filing this Draft Red Herring Prospectus.

### **Partly Paid-Up Shares**

As on the date of this Draft Red Herring Prospectus, there are no partly paid-up Equity Shares of our Company.

### **Outstanding Convertible Instruments:**

Our Company does not have any outstanding convertible instruments as on the date of filing this Draft Red Herring Prospectus.

### **Stock Market Data of the Equity Shares:**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Offer is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Thus, there is no stock market data available for the Equity Shares of our Company.

### **Mechanism for Redressal of Investor Grievances:**

The Registrar Agreement provides for the retention of records with the Registrar to the Offer 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 Offer for redressal of their grievances. The Registrar Agreement provides for the retention of records with the Registrar to the Offer 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 Offer 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 Offer to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days). ‘T’ being Offer 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 Offer opening on or after September 1, 2023 and on mandatory basis for public Offer 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 Offers 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 Offer may be addressed to the Registrar to the Offer, 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 Offer 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 Draft Red Herring Prospectus.

### **Disposal of Investor Grievances by our Company:**

The Company has appointed Registrar to the Offer, to handle the investor grievances in co-ordination with our Company. All grievances relating to the present Offer may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the Applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to the Offer to ensure that the investor grievances are settled expeditiously and satisfactorily. The Registrar to the Offer will handle investor's grievances pertaining to the Offer. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. The Company would also be coordinating with the Registrar to the Offer in attending to the grievances to the investor.

All grievances relating to the ASBA process and UPI may be addressed to the SCSBs, giving full details such as name, address of the Applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant. We estimate that the average time required by us or the Registrar to the Offer or the SCSBs for the redressal of routine investor grievances will be seven (7) business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA applicants or UPI Payment Mechanism Applicants. Our Company, the Book Running Lead Manager and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs / Sponsor Bank including any defaults in complying with its obligations under applicable SEBI (ICDR) Regulations.

Our Company will obtain authentication on the SCORES in compliance with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013, SEBI Circular (CIR/OIAE/1/2014) dated December 18, 2014, and SEBI circular (SEBI/HO/OIAE/IGRD/CIR/P/2021/642) dated October 14, 2021 in relation to redressal of investor grievances through SCORES. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in)

Our Company has constituted a Stakeholders Relationship Committee of the Board vide resolution passed on February 12, 2025. For further details, please refer to section titled "*Our Management*" beginning on page 148 of this Draft Red Herring Prospectus.

Our Company has also appointed Priyanka Garg as the Company Secretary and Compliance Officer of our company, for this Offer She may be contacted in case of any pre- Offer or post- Offer related problems at the following address:

**Priyanka Garg**  
**Company Secretary & Compliance Officer**  
**Zelio E-Mobility Limited**  
**Address:** Khewat No. 510 442, Hisar Road,  
Ladwa, Hisar – 125006, Haryana, India  
**Tel. No.:** +91 – 9254993057  
**Email:** [cs@zelioebikes.com](mailto:cs@zelioebikes.com)  
**Website:** [www.zelioebikes.com](http://www.zelioebikes.com)

Investors can contact the Compliance Officer or the Registrar in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web-based complaints redress system "SCORES". This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in)

Till date of this Draft Red Herring Prospectus, our Company has not received any investor complaint and no complaints is pending for resolution.

### **Status of Investor Complaints:**

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Draft Red Herring Prospectus.



**Disposal of investor grievances by listed companies under the same management as our Company:**

We do not have any listed company under the same management.

**Tax Implications:**

Investors who are allotted Equity Shares in the Offer will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchanges. For details, please refer the section titled “*Statement of Special Tax Benefits*” beginning on page 98 of this Draft Red Herring Prospectus.

**Purchase of Property:**

Other than as disclosed in Section “*Our Business*” and “*Objects of the Offer*” beginning on page 111 and 81 there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Offer or the purchase or acquisition of which has not been completed on the date of this Draft Red Herring Prospectus.

Except as stated elsewhere in this Draft Red Herring Prospectus, our Company has not purchased any property in which the Promoters and/or Directors have any direct or indirect interest in any payment made there under.

**Capitalization of Reserves or Profits:**

Except as disclosed under section titled “*Capital Structure*” beginning on page 69 of this Draft Red Herring Prospectus, our Company has not capitalized its reserves or profits at any time since inception.

**Revaluation of Assets:**

There has not been any revaluation of assets since incorporation of our company.

**Servicing Behaviour:**

Except as stated in this Draft, there has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

**Payment or benefit to officers of our Company:**

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation.

Except as disclosed in chapter titled “*Our Management*” beginning on page 148 and chapter titled “*Financial Information*” beginning on page 169, none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

**Exemption from complying with any provisions of securities laws, if any, granted by SEBI:**

As on date of the Draft Red Herring Prospectus, our Company has not applied for or received any exemption from complying with any provisions of SEBI (ICDR) Regulations.

**SECTION VIII: OFFER RELATED INFORMATION****TERMS OF THE OFFER**

The Equity Shares being Offered are subject to the provisions of the Companies Act, SCRA, SCRR, SEBI (ICDR) Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of the Draft Red Herring Prospectus, Prospectus, Bid cum Application Form, any Confirmation of Allocation Note (“CAN”), the Revision Form, Allotment advices, and other terms and conditions as may be incorporated in the Allotment advices and other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the Offer of capital and listing and trading of securities issued from time to time by SEBI, the GoI, the Stock Exchange, the RoC, the RBI and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by SEBI, RBI, the GoI, the Stock Exchange, the RoC and/or any other authorities while granting its approval for the Offer.

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 Offer shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, SEBI through its UPI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (UPI) and consequent reduction in timelines for listing in a phased manner. From December 1, 2023, the UPI Mechanism for Individual Investors applying through Designated Intermediaries was made effective along-with the existing process existing timeline of T+3 days.

Further vide the said circular Registrar to the Offer and Depository Participants have been also authorized to collect the Bid cum Application Forms. Investor may visit the official website of the concerned for any information on operationalization of this facility of form collection by the Registrar to the Offer and Depository Participants as and when the same is made available.

**Authority for the Offer**

The present Public Offer of up to 64,20,000 Equity Shares includes a fresh issue of up to 52,80,000 equity shares and an offer for sale by the Promoter selling shareholder of up to 11,40,000 equity shares which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on March 15, 2025 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra Ordinary General Meeting held on March 18, 2025 in accordance with the provisions of Section 23(1)(c), 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013.

The Offer for Sale has been authorized by the Promoter Selling Shareholder by their respective consent letters dated March 15, 2025.

<b>Name of the Promoter Selling Shareholders</b>	<b>Type</b>	<b>No. of Equity Shares Offered</b>
Niraj Arya	Promoter	3,80,000
Kunal Arya	Promoter	3,80,000
Deepak Arya	Promoter	3,80,000
<b>Total</b>		<b>11,40,000</b>

Our Company, in consultation with the BRLM, may consider a Pre-IPO placement of up to 6,60,000 Equity Shares prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLM. If the Pre-IPO Placement is undertaken, the number of Equity Shares issued pursuant to the Pre-IPO Placement will be reduced from the Offer, subject to compliance with Rule 19(2)(b) of the SCRR. Details of Pre-IPO Placement, if undertaken, shall be included in the Red Herring Prospectus.

**Ranking of Equity Shares**

The Equity Shares being Offered shall be subject to the provisions of the Companies Act, 2013 and our MOA and AOA and shall rank pari-passu in all respects with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees, upon Allotment of Equity Shares under this Offer, will be entitled to receive dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer to section titled, “*Main Provisions of Article of Association*”, beginning on page 307 of this Draft Red Herring 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 any other rules, regulations or guidelines as may be issued by the Government of India in connection thereto and as per the recommendation by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act and our Articles of Association. Further Interim Dividend (if any declared) will be approved by the Board of Directors. For further details, please refer to section titled “*Dividend Policy*” and “*Main Provisions of Article of Association*” beginning on page 168 and 307 respectively of this Draft Red Herring Prospectus.

### **Face Value and Offer Price**

The face value of each Equity Share is ₹ 10.00 and the Offer Price at the lower end of the Price Band is ₹ [●] per Equity Share (“Floor Price”) and at the higher end of the Price Band is ₹ [●] per Equity Share (“Cap Price”). The Anchor Investor Offer Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot size will be decided by our Company and the Promoter Selling shareholders in consultation with the Book Running Lead Manager, and will be advertised, at least two Working Days prior to the Bid/ Offer Opening Date, in all editions of [●], an English national daily newspaper and all editions of [●], a Hindi national daily newspaper and Hisar edition of [●], a regional newspaper each with wide circulation and shall be made available to the Stock Exchange for the purpose of uploading on its website. 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 Offer Price shall be determined by our Company and in consultation with the Book Running Lead Manager, after the Bid/ Offer 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 the Equity Shares of our Company, subject to applicable laws.

### **The Offer**

The Offer comprises a Fresh Offer by our Company and an Offer for Sale by the Promoter Selling Shareholders. Expenses for the Offer shall be shared amongst our Company and each of the Promoter Selling Shareholders in the manner specified in “*Objects of the Offer*” on page 81 of Draft Red Herring Prospectus.

### **Compliance with SEBI ICDR Regulations, 2018**

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

### **Compliance with Disclosure and Accounting Norms**

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

### **Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- a) Right to receive dividend, if declared;
- b) Right to receive Annual Reports and notices to members;
- c) Right to attend general meetings and exercise voting rights, unless prohibited by law;
- d) Right to vote on a poll either in person or by proxy;
- e) Right to receive offer for rights shares and be allotted bonus shares, if announced;
- f) Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- g) Right of free transferability of the Equity Shares; and
- h) 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, 2015 and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/ or consolidation/ splitting, etc., please refer to section titled “**Main Provisions of the Articles of Association**” beginning on page 307 of this Draft Red Herring Prospectus.

### **Allotment only in Dematerialized Form**

As per the provisions of the Depositories Act, 1996 and the regulations made under and Section 29(1) of the Companies Act, 2013 the Equity Shares to be allotted must be in Dematerialized form i.e. not in the form of physical certificates but be fungible and be represented by the statement Offered through electronic mode. Hence, the Equity Shares being offered can be applied for in the dematerialized form only.

In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite Agreement dated November 08, 2024 between NSDL, our Company and Registrar to the Offer; and
- Tripartite Agreement dated February 14, 2025 between CDSL, our Company and Registrar to the Offer.

### **Minimum Application Value, Market Lot and Trading Lot**

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the SME platform of BSE Limited (BSE SME) from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Offer will be done in multiples of [●] Equity Shares and is subject to a minimum allotment of [●] 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**

Further in accordance with the Regulation 268(1) of SEBI (ICDR) Regulations, 2018 the minimum number of allottees in this the Offer shall be 200 shareholders. In case the minimum number of prospective allottees is less than 200, no allotment will be made pursuant to this Offer and all the monies blocked by SCSB s collected shall be unblocked within four (4) working days of closure of Offer forthwith.

### **Jurisdiction**

Exclusive jurisdiction for the purpose of this Offer is with the competent courts/ authorities in Haryana.

**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 under the Securities Act), except pursuant to an exemption from or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares are only being will be offered or and sold outside the United States in compliance with Regulation S under of the U.S. Securities Act, 1933 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 Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

### **Joint Holders**

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

### **Nomination Facility to Investor**

In accordance with Section 72 of the Companies Act, 2013 the 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 Corporate Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013 any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- (a) to register himself or herself as the holder of the Equity Shares; or
- (b) 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 Offer 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.

### Offer Program

Event	Indicative Dates
Bid/ Offer Opening Date <sup>1</sup>	[●] <sup>1</sup>
Bid/ Offer Closing Date <sup>2</sup>	[●] <sup>2</sup>
Finalization of Basis of Allotment with the Designated Stock Exchange (T+1)	On or about [●]
Initiation of Allotment/ Refunds/ Unblocking of Funds from ASBA Account or UPI ID Linked Bank Account* (T+2)	On or about [●]
Credit of Equity Shares to Demat Accounts of Allottees (T+2)	On or about [●]
Commencement of Trading of the Equity Shares on the Stock Exchange (T+3)	On or about [●]

**The above time table is indicative and does not constitute any obligation on our Company, the Promoter Selling shareholders or BRLM.**

**Whilst our Company and the Promoter Selling shareholders 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 SME platform of BSE Limited (BSE SME) is taken within Three Working Days from the Offer Closing Date, the timetable may change due to various factors, such as extension of the Offer Period by our Company 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.**

*Note <sup>1</sup>Our Company in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI ICDR Regulations*

*<sup>2</sup>Our Company in consultation with the Book Running Lead Manager, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.*

\*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/ Offer 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/ Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The *Book Running Lead Manager* 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 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 three 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.

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 Offer Period (except for the Bid/ Offer Closing Date). On the Bid/ Offer Closing Date, the Bid-Cum- Application Forms will be accepted only between 10.00 a.m. to 3.00 p.m. (IST) for Individual Investor bidders and non-institutional bidders. The time for applying for Individual Bidders Applicants on Bid/ Offer Closing Date maybe extended in consultation with the Book Running Lead Manager, RTA and BSE SME taking into account the total number of applications received up to the closure of timings.

On the Bid/ Offer 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 Individual Bidders.

On the Bid/ Offer Closing Date, extension of time will be granted by the Stock Exchange only for uploading Bids received from Individual Bidders after taking into account the total number of Bids received and as reported by the Book Running Lead Manager to the Stock Exchange.

The Registrar to the Offer 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/ Offer Opening Date till the Bid/ Offer 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 Book Running Lead Manager 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 the limitation of time available for uploading the Bid-Cum-Application Forms on the Bid/ Offer Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Offer Closing Date and, in any case, not later than 3.00 P.M. (IST) on the Bid/ Offer Closing Date. Any time mentioned in this Draft 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/ Offer Closing Date, as is typically experienced in public Offer, 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 Offer. 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 Bidders 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. Individual Bidders can revise or withdraw their Bid-Cum- Application Forms prior to the Bid/ Offer Closing Date. Allocation to Individual Bidders, in this Offer 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 Bidder, 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 Bidder, the Registrar to the Offer shall ask the relevant SCSBs / RTAs / DPs / stock brokers, as the case may be, for the rectified data.

Our Company in consultation with the Book Running Lead Manager, reserves the right to revise the Price Band during the Bid/ Offer Period. 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/ Offer Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/ Offer 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 Book Running Lead Manager, for reasons to be recorded

in writing, extend the Bid/ Offer Period for a minimum of one Working Day, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/ Offer 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 Book Running Lead Manager 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 and Underwriting**

This Offer 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 Offer through the Offer Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the Offer, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight 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.

Subject to applicable law, the Promoter Selling Shareholders shall not be responsible to pay interest for any delay, unless such delay is solely and directly attributable to an act or omission of such Promoter Selling Shareholder, in which case such liability shall be on a several and not joint basis.

The requirement of minimum subscription is not applicable to the Offer for Sale.

In case of undersubscription in the Offer, the Equity Shares in the Fresh Issue will be issued prior to the sale of Equity Shares in the Offer for Sale.

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 200 (Two Hundred).

In terms of Regulation 272(2) of SEBI ICDR Regulations, in case the Company fails to obtain listing or trading permission from the stock exchanges where the specified securities are proposed to be listed, it shall refund through verifiable means the entire monies received within four days of receipt of intimation from stock exchange(s) rejecting the application for listing of specified securities, and if any such money is not repaid within four days after the issuer becomes liable to repay it, the issuer 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.

In terms of Regulation 260 of the SEBI (ICDR) Regulations, 2018, the Offer is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled “**General Information - Underwriting**” on page 65 of this Draft Red Herring Prospectus.

Further, in accordance with Regulation 267 of the SEBI (ICDR) Regulations, 2018, the minimum application size in terms of number of specified securities shall not be less than Two (2) Lots. Provided that minimum application size shall be above ₹2 lakhs.

### **Migration to Main Board**

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018 read with SEBI ICDR (Amendment) Regulations, 2025 to the extent applicable, our Company may migrate to the main board of BSE from the SME Exchange on a later date subject to the following:

As per Regulation 280(2) of the SEBI ICDR Regulation, 2018 read along with SEBI ICDR (Amendment) Regulations, 2025, Where the post-issue paid up capital of the Company listed on a BSE SME is likely to increase beyond twenty-five crore rupees by virtue of any further issue of capital by the Company by way of rights issue, preferential issue, bonus issue, etc. the Company shall migrate its equity shares listed on a BSE SME to the Main Board and seek listing of the equity shares proposed to be issued on the Main Board subject to the fulfilment of the eligibility criteria for listing of equity shares laid down by the Main Board:

Provided that no further issue of capital shall be made unless –

- a) the shareholders have approved the migration by passing a special resolution through postal ballot wherein the votes cast by shareholders other than promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders

- other than promoter shareholders against the proposal;  
 b) the Company has obtained an in principle approval from the Main Board for listing of its entire specified securities on it.

Provided further that where the post-issue paid-up capital pursuant to further issue of capital including by way of rights issue, preferential issue, bonus issue, is likely to increase beyond ₹25 crores, the Company may undertake further issuance of capital without migration from SME exchange to the main board, subject to the undertaking to comply with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable to companies listed on the main board of the stock exchange(s).”

If the Paid-up Capital of the company is more than ₹10 crores but below ₹25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Any company voluntarily desiring to migrate to the Main board from the SME Platform, amongst others, has to fulfill following conditions:

<b>Parameter</b>	<b>Migration policy from BSE SME Platform to BSE Main Board</b>
Paid up Capital & Market Capitalisation	<p>Paid-up capital of more than 10 Crores and Market Capitalisation should be minimum Rs. 25 Crores</p> <p>(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 offer number of equity shares.)</p>
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"> <li>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.</li> <li>The applicant company should have a Net worth of at least Rs. 15 crores for 2 preceding full financial years.</li> </ul>
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"> <li>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.</li> <li>No Debarment of company, promoters/promoter group, subsidiary company by SEBI.</li> <li>No Disqualification/Debarment of directors of the company by any regulatory authority.</li> <li>The applicant company has not received any winding up petition admitted by a NCLT.</li> </ul>
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"> <li>No proceedings have been admitted under the Insolvency and Bankruptcy Code against the applicant company and Promoting companies.</li> <li>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 Companies.</li> <li>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.</li> <li>The applicant company has no pending investor complaints.</li> </ul>



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|  | <ul style="list-style-type: none"><li>• Cooling off period of 2 months from the date the security has come out of trade-to-trade category or any other surveillance action.</li></ul> |
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Notes:

- 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 offered through this Offer are proposed to be listed on the BSE SME (SME platform of BSE Limited), wherein the Book Running Lead Manager to this Offer shall ensure compulsory Market Making through the registered Market Makers of the SME Exchange for a minimum period of 3 (three) years from the date of listing on the BSE SME.

For further details of the agreement entered into between the Company the BRLM (Book Running Lead Manager) and the Market Maker please refer to section titled "**General Information - Details of the Market Making Arrangements for this Offer**" on page 66 of this Draft Red Herring Prospectus.

### Arrangements for disposal of odd lots

The trading of the Equity Shares will happen in the minimum contract size of [●] 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 BSE SME.

### As per the extant Guideline of the Government of India, OCBs cannot participate in this Offer:

The current provisions of the Foreign Exchange Management (Transfer or Offer 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 Offer 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.

### Allotment of Equity Shares in Dematerialized Form

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares in the Issue shall be allotted only in dematerialized form. Further, as per the SEBI (ICDR) Regulations, the trading of the Equity Shares shall only be in dematerialized form on the Stock Exchange.

### New Financial Instruments

There are no new financial instruments such as deeply discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company through this Offer.

#### **Application by Eligible NRI's, FPI's, VCF's, AIF's 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.

#### **Restrictions on transfer and transmission of shares or debentures and on their consolidation or splitting**

Except for lock-in of the Pre- Offer Equity Shares and Promoters minimum contribution in the Offer as detailed under section titled **“Capital Structure”** beginning on page 69 of this Draft Red Herring Prospectus, and except as provided in the Articles of Association of our Company, there are no restrictions on transfers of Equity Shares. There are no restrictions on transfer and transmission of shares/ debentures and on their consolidation/ splitting except as provided in the Articles of Association. For further details, please refer to section titled **“Main Provisions of the Articles of Association”** beginning on page 307 of this Draft Red Herring Prospectus.

#### **Pre-Offer and Price Band Advertisement**

Subject to Section 30 of the Companies Act, 2013 our Company shall, after registering the Red Herring Prospectus with the RoC publish a pre-Offer and Price Band advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

#### **Withdrawal of the Offer**

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Offer after the Bid/ Offer Opening date but before the Allotment. In such an event, our Company would Offer a public notice in the newspaper in which the pre-Offer and Price Band advertisements were published, within two days of the Bid/ Offer Closing date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The BRLM through, the Registrar of the Offer, shall notify the SCBSs to unblock the bank accounts of the ASBA Bidders within one working day from the date of receipt of such notification. Our Company shall also inform the same to the stock exchange on which equity shares are proposed to be listed. If the Offer is withdrawn after the designated Date, amounts that have been credited to the Public Offer Account shall be transferred to the Refund Account.

Notwithstanding the foregoing, the Offer is also subject to obtaining the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment and within three Working Days of the Offer Closing Date or such other time period as prescribed under Applicable Law and also inform the Bankers to the Offer to process refunds to the Anchor Investors, as the case may be. If our Company withdraws the Offer after the Offer Closing Date and thereafter determines that it will proceed with an Offer or offer for sale of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with the Stock Exchanges. The notice of withdrawal will be issued in the same newspapers where the pre- Offer and Price Band advertisements have appeared, and the Stock Exchanges will also be informed promptly.

*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 and regulations, which may occur after the date of this Draft Red Herring 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 and regulations.*

## OFFER STRUCTURE

This Offer 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 offer paid up capital is more than or equal to ten Crore rupees and up to twenty five crore rupees shall offer shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“**SME Exchange**”, in this case being the BSE SME (SME platform of BSE Limited)). For further details regarding the salient features and terms of such an Offer please refer chapter titled “**Terms of the Offer**” and “**Offer Procedure**” on page 262 and 275 of this Draft Red Herring Prospectus.

### Offer Structure:

The present Offer is of up to 64,20,000 Equity Shares of ₹10 each (the “**Equity Shares**”) for cash at a price of ₹ [●] per Equity Share (including a Share Premium of ₹ [●] per Equity Share), aggregating up to ₹ [●] Lakhs (“**the Offer**”) by the issuer Company (the “**Company**”) comprising of a fresh issue of up to 52,80,000 equity shares aggregating to ₹ [●] Lakhs (the “**Fresh Issue**”) and an Offer for Sale of up to 11,40,000 equity shares by the Promoter selling shareholders (“**Offer for Sale**”) aggregating to ₹ [●] Lakhs of which [●] equity shares of face value of ₹10.00/- each for cash at a price of ₹ [●] per equity share including a share premium of ₹ [●] per equity share aggregating to ₹ [●] Lakhs will be reserved for subscription by Market Maker to The Offer (the “**Market Maker Reservation Portion**”).

Our Company, in consultation with the BRLM, may consider a Pre-IPO placement of up to 6,60,000 Equity Shares aggregating to ₹ [●] lakhs, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLM. If the Pre-IPO Placement is undertaken, the number of Equity Shares issued pursuant to the Pre-IPO Placement will be reduced from the Offer, subject to compliance with Rule 19(2)(b) of the SCRR. Details of Pre-IPO Placement, if undertaken, shall be included in the Red Herring Prospectus.

The Offer comprises a reservation of upto [●] equity shares of ₹10 each for cash at a price of ₹ [●] per equity share (including a share premium of ₹ [●] per equity share), aggregating up to ₹ [●] Lakhs for subscription by Market Maker to The Offer (the “**Market Maker Reservation Portion**”). The Offer less the Market Maker Reservation Portion i.e. Net Offer to Public of upto [●] Equity Shares of ₹ 10 each at a price of ₹ [●] per equity share (including a share premium of ₹ [●] per equity share), aggregating to ₹ [●] lakhs (“**the Net Offer**”). The Offer and the Net Offer will constitute [●] % and [●] %, respectively of the post Offer paid up equity share capital of the Company. The Offer is being made through the Book Building Process.

Particulars of the Offer <sup>(2)</sup>	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non-Institutional Investors	Individual Investors
<b>Number of Equity Shares available for allocation</b>	Up to [●] Equity Shares of face value 10/- each	Not more than [●] Equity Shares of face value 10/- each	Not less than [●] Equity Shares of face value 10/- each	Not less than [●] Equity Shares of face value 10/- each
<b>Percentage of Offer Size available for allocation</b>	[●] of the Offer Size	Not more than 50% of the Net Offer being available for allocation to QIB Bidders.  However, 5% of the Net QIB Portion (excluding the Anchor Investor Portion) will be 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 Net QIB Portion (excluding the Anchor Investor Portion). The unsubscribed portion	Not less than 15% of the Net Offer Subject to the following:  (a) 1/3rd of the portion available to NIBs shall be reserved for applicants with an application size of more than two lots and upto such lots equivalent to not more than ₹ 10 Lakhs  (b) 2/3rd of the portion available to NIBs shall be reserved for applicants with an application size of more than ₹ 10 Lakhs	Not less than 35.00% of Net Offer.

Particulars of the Offer <sup>(2)</sup>	Market Maker Reservation Portion	QIBs <sup>(4)</sup>	Non-Institutional Investors	Individual Investors
		in the Mutual Fund Portion will be available for allocation to other QIBs		
<b>Basis of Allotment<sup>(3)</sup></b>	Firm Allotment	<p>Proportionate as follows (excluding the Anchor Investor Portion):</p> <p>(a) Up to [●] Equity Shares of face value 10/- each shall be available for allocation on a proportionate basis to Mutual Funds only; and</p> <p>(b) Up to [●] Equity Shares of face value 10/- each shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above.</p> <p>(c) Up to 60% of the QIB Portion (of up to [●] Equity Shares of face value 10/- each may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bids received from Mutual Funds at or above the Anchor Investor Allocation Price</p>	<p>Subject to the availability of shares in non-institutional investors' category, the allotment of equity shares of face value 10/- each to each non-institutional category shall not be less than the minimum application size in non-institutional investor category, and the remaining shares, if any, shall be allotted on a proportionate basis, the [●] Equity Shares of face value 10/- each shall be allotted in multiples of [●] Equity Shares of face value 10/- each. For details, see "Offer Procedure" beginning on page 275 of this Draft Red Herring Prospectus.</p>	<p>Minimum allotment of [●] Equity Shares of face value 10/- each. For details, see "Offer Procedure" beginning on page 275 of this Draft Red Herring Prospectus.</p>
<b>Mode of Allotment</b>	Compulsorily in dematerialized form.			
<b>Minimum Bid Size</b>	[●] Equity Shares of face value 10/- each	Such number of Equity Shares of face value 10/- each and in multiples of [●] Equity Shares of face value 10/- each that the Bid Application exceeds two lots	Such number of Equity Shares of face value 10/- each and in multiples of [●] Equity Shares of face value 10/- each that the Bid Application Amount exceeds two lots.	[●] Equity Shares of face value 10/- each
<b>Maximum Bid Size</b>	[●] Equity Shares of face value 10/- each	Such number of Equity Shares of face value 10/- each in multiples of [●] Equity Shares of face value 10/- each not exceeding the size of the	Such number of Equity Shares of face value 10/- each in multiples of [●] Equity Shares of face value 10/- each not exceeding the size of the Net Offer (excluding the QIB	Application should be for two lots (i.e. [●] Equity Shares of face value of Rs. 10 each)

Particulars of the Offer <sup>(2)</sup>	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non-Institutional Investors	Individual Investors
		Net Offer, subject to applicable limits	portion), subject to applicable limits	
<b>Trading Lot</b>	[●] Equity Shares of face value 10/- each, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.	[●] Equity Shares of face value 10/- each and in multiples thereof	[●] Equity Shares of face value 10/- each and in multiples thereof	[●] Equity Shares of face value 10/- each and in multiples thereof
<b>Terms of Payment</b>	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) 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. In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids <sup>(4)</sup>			
<b>Mode of Bid</b>	Only through the ASBA process.	Only through the ASBA process. (Except for Anchor investors)	Only through the ASBA process	Through ASBA Process via Banks or by using UPI ID for payment

\* Subject to finalization of basis of allotment.

This Offer is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.

- <sup>(1)</sup> Our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. 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 Anchor Investor Allocation Price.
- <sup>(2)</sup> In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018 this is an Offer for at least 25% of the post Offer paid-up Equity share capital of the Company. This Offer is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations.
- <sup>(3)</sup> Subject to valid Bids being received at or above the Offer 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 Managers and the Designated Stock Exchange, subject to applicable laws.
- <sup>(4)</sup> Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Bid-cum- Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN.

The Bids by FPIs with certain structures as described under “Offer Procedure - Bids by FPIs” on pages 285 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

If the Bid is submitted in joint names, 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 depository account held in joint names. The signature of only the first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

### Withdrawal of the Offer

In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Offer at any time before the Bid/ Offer Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Offer after Bid/ Offer Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Offer. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper.

The Book Running Lead Manager, through the Registrar to the Offer, 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-Offer and Price Band advertisements have appeared and the Stock Exchange will also be informed promptly.

If our Company withdraws the Offer after the Bid/ Offer 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 Offer is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the filing of Draft Red Herring Prospectus/ Red Herring Prospectus with RoC.

### Offer Program

Event	Indicative Date
Bid/Offer Opening Date <sup>1</sup>	[●] <sup>1</sup>
Bid/ Offer Closing Date <sup>2</sup>	[●] <sup>2</sup>
Finalization of Basis of Allotment with the Designated Stock Exchange (T+1)	On or about [●]
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account (T+2)	On or about [●]
Credit of Equity Shares to Demat accounts of Allottees (T+2)	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchange (T+3)	On or about [●]

The above time table is indicative and does not constitute any obligation on our Company. 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 BSE SME is taken within Three Working Days from the Offer Closing Date, the timetable may change due to various factors, such as extension of the Offer Period by our Company 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.

<sup>1</sup>Company in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Offer Period shall be one Working Day prior to the Bid/ Offer Opening Date in accordance with the SEBI ICDR Regulations.

<sup>2</sup>Our Company in consultation with the BRLM, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.

Applications 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 Offer Period at the Application Centers mentioned in the Bid-Cum- Application Form.

Standardization of cut-off time for uploading of applications on the Bid/ Offer Closing Date:

- A standard cut-off time of 3.00 P.M. for acceptance of applications.
- A standard cut-off time of 4.00 P.M. for uploading of applications received from other than individual investor who applies for minimum application size.
- A standard cut-off time of 5.00 P.M. for uploading of applications received from only individual investor who applies for minimum application size, which may be extended up to such time as deemed fit by BSE after taking into account the total number of applications received up to the closure of timings and reported by BRLM to BSE within half an hour of such closure.

It is clarified that Applications not uploaded would be rejected. In case of discrepancy in the data entered in the electronic form vis-à-vis the data contained in the physical Bid-Cum- Application Form, for a particular applicant, the details as per physical Bid-Cum-application form of that Applicant 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 bank holidays).

## **OFFER PROCEDURE**

All Applicants should review the General Information Document for Investing in Public offer, prepared and issued in accordance with the SEBI circular no CIR/CFD/DIL/12/2013 dated October 23, 2013 notified by SEBI and updated pursuant to SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and updated pursuant to SEBI Circular SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 (the "General Information Document") which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of Stock Exchange, the Company and the Book Running Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the offer.

Additionally, all Applicants 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 Offer size; (iii) price discovery and allocation; (iv) Payment Instructions for ASBA Applicants; (v) Issuance of CAN and Allotment in the Offer; (vi) General instructions (limited to instructions for completing the Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint applications in cases of individual, multiple applications and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.

SEBI through its UPI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (UPI) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for Individual Investors 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.

Subsequently, for applications by Individual Investors through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism with existing timeline of T+6 days is applicable for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase II**"), with effect from July 1, 2019, by SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, read with circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019. Further, as per the SEBI circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the UPI Phase II had been extended until March 31, 2020. However, due to the outbreak of COVID-19 pandemic, UPI Phase II has been further extended by SEBI until further notice, by its circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020. Thereafter, the final reduced timeline of T+3 days may be made effective using the UPI Mechanism for applications by Individual Investors ("**UPI Phase III**"), as may be prescribed by SEBI. Further, SEBI, vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, and circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular is effective 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 SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, and the provisions of this circular are deemed to form part of this Draft Offer Document/ Offer Document. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual Investors in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism.

Furthermore, SEBI vide press release bearing number 12/2023 has approved the proposal for reducing the time period for listing of shares in public Offer from existing 6 working days to 3 working days from the date of the closure of the Offer. The revised timeline of T+3 days shall be made applicable in two phases i.e. voluntary for all public Offers opening on or after September 1, 2023 and mandatory on or after December 1, 2023. Further, SEBI has vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 reduced the time taken for listing of specified securities after the closure of a public Offer to three Working Days. Accordingly, the Offer will be made under UPI Phase III on a mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time.

The list of Banks that have been notified by SEBI as Issuer Banks for UPI are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. The list of Stockbrokers, Depository Participants (DP), Registrar to an Offer and Share Transfer Agent (RTA) that have been notified by SME Platform of BSE Limited ("**BSE SME**") to act as intermediaries for submitting Application Forms are provided on [www.bseindia.com](http://www.bseindia.com) For details on their

designated branches for submitting Application Forms, please see the above mentioned website of SME Platform of BSE Limited (“BSE SME”).

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and Book Running Lead Manager would not be able to include any amendment, modification or change in applicable law, which may occur after the date of Prospectus. Applicants are advised to make their independent investigations and ensure that their application do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Draft Offer Document/ Offer Document.

Further, the Company and the BRLM are not liable for any adverse occurrence’s consequent to the implementation of the UPI Mechanism for application in this Offer.

### **Phased implementation of Unified Payments Interface**

SEBI has issued the UPI Circulars in relation to streamlining the process of public Offer of inter alia, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by Individual Investors through Designated Intermediaries with the objective to reduce the time duration from public Offer closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public Offers, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an Individual Investors had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public Offer closure to listing continued to be six working days.

**Phase II:** This phase has become applicable from July 1, 2019. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 had extended the timeline for implementation of UPI Phase II till March 31, 2020. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020 decided to continue Phase II of UPI with ASBA until further notice. Under this phase, submission of the ASBA Form by Individual Investors through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public Offer closure to listing would continue to be six Working Days during this phase.

**Phase III:** This phase has become applicable on a voluntary basis for all Offers opening on or after September 1, 2023 and on a mandatory basis for all Offers opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 (“T+3 Notification”). In this phase, the time duration from public Offer closure to listing has been reduced to three Working Days. The Offer shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

The Offer is being made under Phase III of the UPI (on a mandatory basis).

All SCSBs offering facility of making application in public Offers shall also provide facility to make application using the UPI Mechanism. The Issuers 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 Individual Applicants into the UPI Mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Book Running Lead Manager.

## **PART A**

### **Book Building Procedure**

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”) read with Regulation 252 of SEBI ICDR Regulations, 2018, the Offer is being made for at least 25% of the post-offer paid-up Equity Share capital of our Company. The Offer is being made under Regulation 229(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations,



2018 via book building process wherein not more than 50% of the Offer shall be allocated on a proportionate basis to QIBs, provided that our Company and may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, 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 QIB Portion. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors (of which one third of the Non-Institutional Portion shall be reserved for Bidders with an application size of more than two lots and up to such lots equivalent to not more than ₹10 lakhs; and two-thirds of the Non-Institutional Portion shall be reserved for Bidders with an application size of more than ₹10 lakhs) and under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other subcategory of Non-Institutional Portion, subject to valid Bids being received at or above the Offer Price and not less than 35% of the Net Offer shall be available for allocation to Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Subject to valid Bids being received at or above the Offer Price, undersubscription, if any, in any category, except 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. 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.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

***Investor should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, PAN, and UPI ID, as applicable, 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 the Equity Shares rematerialised subsequent to Allotment of the Equity Shares in the Offer, subject to compliance with Applicable Laws.***

#### **Bid cum Application Form**

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Corporate Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the BSE, at least one day prior to the Bid/Offer Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the Book Running Lead Manager.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. ASBA Bidders must provide either (i) the bank account details and authorisation to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made by the Individual Investors using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors are not permitted to participate in the Offer through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. Since the Offer is made under Phase III of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

- i. Individual Investors (other than the Individual Investors using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- ii. Individual Investors using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- iii. QIBs and NIBs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

**Anchor Investors are not permitted to participate in the Offer through the ASBA process.**

For Anchor Investors, the Anchor Investor Application Form will be available at the office of the Book Running Lead Manager. ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

Category	Colour*
Anchor Investor**	[•]
Indian Public / eligible NRI's applying on a non-repatriation basis (ASBA)	[•]
Non-Residents including eligible NRI's, FPI's, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA)	[•]

\*Excluding Electronic Bid cum Application Form

\*\* Bid cum application for Anchor Investor shall be made available at the Office of the Book Running Lead Manager.

Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by Individual Investors (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 Draft Red Herring 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 Offer, 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 Offer and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

Individual 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:

<b>For Applications submitted by Investors to SCSB</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
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<b>For applications submitted by investors to intermediaries other than SCSBs</b>	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 Offer.
<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment</b>	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.

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 Draft Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

#### **Availability of Draft Red Herring Prospectus and Bid Cum Application Forms**

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Corporate Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of SCSBs (via Internet Banking) and BSE ([www.bseindia.com](http://www.bseindia.com)) at least one day prior to the Bid/Offer Opening Date.

Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

#### **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 Offer or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the DRHP 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 Kartal. Applications by HUFs would be considered at par with those from individuals;
- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d) Mutual Funds registered with SEBI;
- e) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Offer;
- 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 Offer, 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 Offer. 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 Offer 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 Individual Bidders**

The Application must be for a minimum of two lots. In case of revision of Applications, the Individual Bidders have to ensure that the Application Price exceed Rs. 2,00,000.

**2. For Other than Individual Bidders (Non-Institutional Applicants and QIBs):**

The Application must be for more than two lots and in multiples of [●] Equity Shares thereafter. An application cannot be submitted for more than the Net Offer 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 Offer 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 is for more than two lots 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 Draft Red Herring Prospectus.**

**The above information is given for the benefit of the Bidders. The Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring 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 Offer and the same shall be advertised in all editions of the English national daily newspaper [●], and all editions of Hindi national daily newspaper [●] and Hisar edition of Regional newspaper [●] where the registered office of the company is situated, each with wide circulation at least two Working Days prior to the Bid/ Offer Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid/ Offer Period.

- a) The Bid / Offer Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid/ Offer Period maybe extended, if required, by an additional three Working Days, subject to the total Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/ Offer Period, if applicable, will be published in all editions of the English national daily newspaper [●], and all editions of Hindi national daily newspaper [●] and Hisar edition of Regional newspaper [●] where the registered office of the company is situated, each with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager.
- b) During the Bid/ Offer Period, Individual Bidders, should approach the Book Running Lead Manager or their authorized agents to register their Bids. The Book Running Lead Manager shall accept Bids from Anchor Investors and ASBA Bidders in Specified Cities and it shall have the right to vet the Bids during the Bid/ Offer Period in accordance with the terms of the Red Herring Prospectus. ASBA Bidders should approach the Designated Branches or the Book Running Lead Manager (for the Bids to be submitted in the Specified Cities) to register their Bids.
- c) Each Bid cum Application Form will give the Bidder the choice to Bid for up to 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 Offer Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Offer Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- d) The Bidder/ Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a Book Running Lead Manager or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another Book Running Lead Manager 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 Offer. 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”.
- e) Except in relation to the Bids received from the Anchor Investors, the Book Running Lead Manager /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 up to three TRSs for each Bid cum Application Form
- f) The Book Running Lead Manager shall accept the Bids from the Anchor Investors during the Anchor Investor Bid/ Offer Period i.e. one working day prior to the Bid/ Offer Opening Date. Bids by QIBs under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.
- g) Along with the Bid cum Application Form, Anchor Investors will make payment in the manner described in “Escrow Mechanism - Terms of payment and payment into the Escrow Accounts” in the section “*Offer Procedure*” beginning on page 275 of this Draft Red Herring Prospectus
- h) 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.

- i) 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.
- j) 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.
- k) 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 Offer Account, or until withdrawal/failure of the Offer 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 Offer 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 Offer Account. In case of withdrawal/failure of the Offer, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Offer.

#### **BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS**

- a) Our Company in consultation with the Book Running Lead Manager, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Offer 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 Book Running Lead Manager, will finalize the Offer 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. 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.

Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. 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.

- d) The price of the specified securities offered to an anchor investor shall not be lower than the price offered to other applicants.

#### **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 Offer 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 Offer, 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.

Neither the BRLM nor any persons related to the BRLM (other than Mutual Funds sponsored by entities related to the BRLM), Promoters and Promoter Group can apply in the Offer under the Anchor Investor Portion.

#### **Option to Subscribe in the Offer**

- 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 Bid/ Offer Opening Date and Bid/ Offer Closing Date in the Red Herring Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.
2. Our Company will file the Red Herring Prospectus with the RoC at least 3 (three) days before the Bid/ Offer Opening Date.
3. Copies of the Bid Cum Application Form along with Abridge Prospectus and copies of the Draft Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Offer, and at the Corporate 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 Draft Red Herring Prospectus and/ or the Bid Cum Application Form can obtain the same from our Corporate 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 Individual Investors 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 Offer 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 ANCHOR INVESTORS:**

Our Company in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in the Offer for up to 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 Book Running Lead Manager.
- 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/ Offer Opening Date and be completed on the same day.
- 5) Our Company in consultation with the Book Running Lead Manager, 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 up to ₹ 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 a minimum Allotment of ₹ 100.00 Lakhs per Anchor Investor.
- 6) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Offer 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 Book Running Lead Manager before the Bid/Offer 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 Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/ Offer Closing Date. If the Offer 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 Offer 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) 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment, while the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.
- 11) The Book Running Lead Manager, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the Book Running Lead Manager) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the Book Running Lead Manager and made available as part of the records of the Book Running Lead Manager for inspection by SEBI.
- 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 Offer through the ASBA process.

#### **BIDS BY ELIGIBLE NRI'S:**

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the BRLM and the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non- Resident Forms should authorize their SCSB to block their Non-Resident External (“NRE”) accounts, or Foreign Currency Non-Resident (“FCNR”) ASBA Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB 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.

- Eligible NRIs bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents ([●] in colour).
- Eligible NRIs bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents ([●] in colour).

#### **BIDS BY FPI INCLUDING FII'S:**

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Offer, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the 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. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Offer, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Bids made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI 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.

In terms of the SEBI FPI Regulations, the Offer of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10% and 24% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Offer 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 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may Offer 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 an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client norms. An FPI is also required to ensure that no further Offer or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non- Residents (blue in colour).

#### **BIDS BY SEBI REGISTERED VCF'S, AIF'S AND FVCI'S:**

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIF's.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF

Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

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.

#### **BIDS BY HUFs:**

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 Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bid cum Applications by HUFs may be considered at par with Bid cum Applications from individuals.

#### **BIDS BY MUTUAL FUNDS:**

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Bid cum Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple applications provided that the Bids clearly indicate the scheme concerned for which the Bids has been made.

The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

#### **BIDS BY SYSTEMATICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES:**

In case of Applications made by Systemically Important Non-Banking Financial Companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid cum Application Form. Failing this, our Company reserve the right to reject any Application, without assigning any reason thereof. Systemically Important Non-Banking Financial Companies participating in the Offer shall comply with all applicable legislations, regulations, directions, guidelines and circulars issued by RBI from time to time.

#### **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 reserves the right to reject any bid without assigning any reason thereof. Limited liability partnerships can participate in the Offer only through the ASBA process.

### **BIDS BY INSURANCE COMPANIES:**

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid by Insurance Companies without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

- 1) equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- 2) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- 3) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (1), (2) and (3) above, as the case may be. Insurance companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

### **BIDS UNDER POWER OF ATTORNEY:**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹2500 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 reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

- a) With respect to Bids by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.
- b) With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form.
- c) With respect to Bids made by provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form.
- d) With respect to 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
- e) Our Company in consultation with the Book Running Lead Manager 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 such terms and conditions that our Company and the Book Running Lead Manager may deem fit.

The above information is given for the benefit of the Bidders. Our Company, the Book Running Lead Manager and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Draft Red Herring Prospectus.

### **BIDS BY PROVIDENT FUNDS / PENSION FUNDS:**

In case of Bids made by provident funds with minimum corpus of ₹ 25 Crore (subject to applicable law) and pension funds with minimum corpus of ₹ 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

### **BIDS BY BANKING COMPANY:**

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 which our Company reserves the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a nonfinancial services company in excess of 10% of such investee company's paid-up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

### **BIDS BY SCSB'S:**

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making Bid cum 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 Bid cum application in public Offers and clear demarcated funds should be available in such account for such Bid cum applications.

### **ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE OFFER:**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the Book Running Lead Manager or Registrar to the Offer shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Offer.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Offer. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder

### **Offer 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 Draft Red Herring 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 Offer price of ₹ [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Offer Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Offer or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Offer and the Registrar to the Offer 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-institutional 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 Offer 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 Offer and consequent transfer of the Application Amount to the Public Offer Account, or until withdrawal/ failure of the Offer 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 (Offer of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Offer 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, Individual Investors applying in public Offer 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. 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: “[●]”
- b. In case of Non-Resident Anchor Investors: “[●]”
- c. Bidders 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 Offer 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 5.00 p.m. of the Offer Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
  - a) the applications accepted by them,
  - b) the applications uploaded by them
  - c) the applications accepted but not uploaded by them or
  - d) 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 Offer, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
  - (i) The applications accepted by any Designated Intermediaries
  - (ii) The applications uploaded by any Designated Intermediaries or

(iii) The applications accepted but not uploaded by any Designated Intermediaries

5. The Stock Exchange will offer an electronic facility for registering applications for the Offer. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Offer 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 Offer 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 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 Offer 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-institutional Bidders and Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in the Draft Red Herring 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 Draft Red Herring 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 5.00 p.m. on the Bid/Offer Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Offer Period, after which the Registrar to the Offer 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/Offer Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Offer.
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 Book Running Lead Manager at the end of the Bid/ Offer 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 centres during the Bid/ Offer Period.

#### **Withdrawal of Bids**

- a) Individual Investors can withdraw their Bids until Bid/ Offer Closing Date. In case a Individual Investors wishes to withdraw the Bid during the Bid/ Offer 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 Offer 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 Book Running Lead Manager, shall finalise the Offer Price and the Anchor Investor Offer Price.
- b) The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer 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 Book Running Lead Manager 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 Offer, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Offer. For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the RHP.

- e) In case if the Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.
- f) Allocation to Anchor Investors shall be at the discretion of our Company and in consultation with the Book Running Lead Manager, subject to compliance with the SEBI Regulations.

**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 Offer; 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, Offer 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 Offer 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 **Book Running Lead Manager**, may finalise the Offer Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Offer Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

#### **Signing of Underwriting Agreement and Filing of Red Herring Prospectus/ Prospectus with RoC**

- a) Our company has entered into an Underwriting Agreement dated [●]
- b) A copy of Red Herring Prospectus will be filed with the RoC and copy of Prospectus will be filed with RoC in terms of Section 32 of Companies Act, 2013 and Section 26 of Companies Act, 2013.

#### **Pre-Offer and Price Band Advertisement**

Subject to Section 30 of the Companies Act 2013, our Company shall, after filing the Red Herring Prospectus with the ROC, publish a pre-Offer and Price Band advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation.

In the pre-Offer and Price Band advertisement, we shall state the Bid Opening Date and the Bid/Offer Closing Date and the floor price or price band along with necessary details subject to regulation 250 of SEBI (ICDR) Regulations. This 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 Regulations.

#### **ADVERTISEMENT REGARDING OFFER PRICE AND PROSPECTUS:**

Our Company will Offer a statutory advertisement after the filing of the Red Herring Prospectus/ Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Offer Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

#### **GENERAL INSTRUCTIONS:**

Please note that the NIIs are not permitted to withdraw their bids or lower the size of Bids in terms of quantity of Equity Shares or Bid Amount) at any stage. Individual Investor can revise their Bids during the Bid/Offer period and withdraw their Bids until Bid/Offer Closing date.

Anchor investors are not allowed to withdraw their Bids after Anchor Investors bidding date.

#### **Do's:**



1. Check if you are eligible to apply as per the terms of the Draft Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID, Client ID, UPI ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialized form only;
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;
6. If the first applicant is not the 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;
7. In case of Joint bids, ensure the first bidder is the ASBA Account holder (or the UPI linked bank account holder, as the case may be) and the signature of the first bidder is included in the Bid cum Application Form;
8. QIBs, Non-Institutional Bidders and the Individual Investors Bidders should submit their Bids through the ASBA process only. However, pursuant to SEBI circular dated November 01, 2018, Individual Investors may submit their bid by using UPI mechanism for payment.
9. 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;
10. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options;
11. Ensure that you have funds equal to the Bid Amount in the Bank Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process or application forms submitted by Individual Investors using UPI mechanism for payment, to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
12. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) 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;
14. Ensure that the Demographic Details are updated, true and correct in all respects;
15. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
16. 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;
17. Ensure that the category and the investor status is indicated;
18. Ensure that in case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
19. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
20. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;
21. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;
22. Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Bid cum Application Form;
23. Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Offer;
24. Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;
25. 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 via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;
26. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum

Application Form; and

27. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**Don'ts:**

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid / revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
5. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
6. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
7. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
8. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
9. Do not Bid for a Bid Amount for less than ₹ 2,00,000/- (for Applications by Individual Bidders);
10. Do not fill up the Bid cum Application Form such that the Equity Shares Application exceeds the Offer size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
11. Do not submit the General Index Register number instead of the PAN;
12. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
13. 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 Applicant;
14. 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;
15. 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);
16. Do not submit a Bid by using details of the third party's bank account or UPI ID which is linked with bank account of the third party. Kindly note that Bids made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**Other instructions for the Bidders**

**Joint Bids**

In the case of Joint Bids, the Bids should be made in the name of the Bidders whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidders would be required in the Bid cum Application Form/Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the Bid cum Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

**Multiple Bids**

Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

**Investor Grievance**

In case of any pre-Offer or post Offer related problems regarding demat credit/ refund orders/ unblocking etc. the Investors can contact the Compliance Officer of our Company.

**Nomination Facility to Bidders**

Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

### **Submission of Bids**

- a) During the Bid/Offer Period, Bidders may approach any of the Designated Intermediaries to register their Bids.
- b) In case of Bidders (excluding NIIs and QIBs) Bidding at cut-off price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
- c) For details of the timing on acceptance and upload of Bids in the Stock Exchange platform Bidders are requested to refer to the DRHP.

### **GROUNDINGS OF TECHNICAL REJECTIONS**

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Bid cum Application Form;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- GIR number furnished instead of PAN;
- Bid for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-off Price by NIIs and QIBs;
- Bids for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the DRHP;
- The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Bids as defined in the DRHP;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Bidder is missing;
- Bid cum Application Forms not delivered by the Bidder within the time prescribed as per the Bid cum Application Forms, Bid/Offer Opening Date advertisement and the DRHP and as per the instructions in the DRHP and the Bid cum Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bid by OCBs;
- Bids by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid Amount in the bank account;
- Bids not uploaded on the terminals of the Stock Exchanges;
- Where no confirmation is received from SCSB for blocking of funds;
- Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form. Bids not duly signed by the sole/First Bidder;
- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;

- Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals; and
- Details of ASBA Account not provided in the Bid cum Application form.

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 Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the DRHP. 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 Offer, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Offer. 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 Individual Investors, who applies for minimum application size, non-institutional investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to DRHP. No Individual Investor will be allotted less than the minimum Bid Lot subject to availability of shares in 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 Offer. However, in case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

#### **Flow of Events from the closure of Bidding period (T DAY) Till Allotment:**

- On T Day, RTA to validate the electronic bid details with the depository records and also reconcile the final certificates received from the Sponsor Bank for UPI process and the SCSBs for ASBA and Syndicate ASBA process with the electronic bid details
- RTA identifies cases with mismatch of account number as per bid file / FC and as per applicant's bank account linked to depository demat account and seek clarification from SCSB to identify the applications with third party account for rejection.
- Third party confirmation of applications to be completed by SCSBs on T+1 day.
- RTA prepares the list of final rejections and circulate the rejections list with BRLM(s)/ Company for their review/ comments.
- Post rejection, the RTA submits the basis of allotment with the Designated Stock Exchange (DSE).
- The DSE, post verification approves the basis and generates drawal of lots wherever applicable, through a random number generation software.
- The RTA uploads the drawal numbers in their system and generates the final list of allottees as per process mentioned below.

#### **Process for generating list of Allottees: -**

- Instruction is given by RTA in their Software System to reverse category wise all the application numbers in the ascending order and generate the bucket /batch as per the allotment ratio. For example, if the application number is 78654321 then system reverses it to 12345687 and if the ratio of allottees to applicants in a category is 2:7 then the system will create lots of 7. If the drawal of lots provided by Designated Stock Exchange (DSE) is 3 and 5 then the system will pick every 3rd and 5th application in each of the lot of the category and these applications will be allotted the shares in that category.

- In categories where there is proportionate allotment, the Registrar will prepare the proportionate working based on the oversubscription times.
- In categories where there is undersubscription, the Registrar will do full allotment for all valid applications.
- On the basis of the above, the RTA will work out the allottees, partial allottees and non- allottees, prepare the fund transfer letters and advice the SCSBs to debit or unblock the respective accounts.

## **BASIS OF ALLOTMENT**

### **a. For Individual Bidders**

Bids received from the Individual Bidders at or above the Offer Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Individual Bidders will be made at the Offer Price.

The Offer size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Individual Bidders who have Bid in the Offer at a price that is equal to or greater than the Offer Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer Price, full Allotment shall be made to the Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

In the event of the Issue being over-subscribed, the Issuer may finalise the Basis of Allotment in consultation with the BSE SME (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- a. The number of Shares to be allocated to the successful Bidders will be arrived 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 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 allocated.
- c. Each successful Bidder shall be allotted [●] equity shares.

### **b. For Non-Institutional Bidders**

Bids received from Non-Institutional Bidders at or above the Offer 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 Offer Price. The allotment of specified securities to each non-institutional investor shall not be less than the minimum application size in the non-institutional investor category, and the remaining shares, if any, shall be allotted on proportionate basis.

The Offer size less Allotment to QIBs and Individual Investor shall be available for Allotment to Non- Institutional Bidders who have Bid in the Offer at a price that is equal to or greater than the Offer Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer 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 [●] Equity Shares at or above the Offer Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

### **c. For QIBs**

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations or RHP / Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Offer 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 Offer Price. Allotment may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

- a) In the first instance allocation to Mutual Funds for [●]% of the QIB Portion shall be determined as follows:

- In the event that Bids by Mutual Fund exceeds [●]% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for [●]% of the QIB Portion.
- In the event that the aggregate demand from Mutual Funds is less than [●]% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Offer 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;

b) In the second instance Allotment to all QIBs shall be determined as follows:

- In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Offer Price shall be allotted Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for [●]% of the QIB Portion.
- 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 [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders.
- Under-subscription below [●]% 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 [●] Equity Shares.

d. **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:

- a maximum number of two Anchor Investors for allocation up to ₹ 2 crores;

a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 2 crores and up to ₹ 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 up to 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.

b) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer, in consultation with the BRLM, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

c) **In the event that the Offer Price is higher than the Anchor Investor Allocation Price:**

Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Offer Price and the Anchor Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors

**d) In the event the Offer Price is lower than the Anchor Investor Allocation Price:**

Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

**e) Basis of Allotment for QIBs (other than Anchor Investors) and NIIs in case of Over Subscribed Offer:**

In the event of the Offer being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the BSE SME (SME platform of 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 [●] equity shares the allotment will be made as follows:
  - Each successful Bidder shall be allotted [●] 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 [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] 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 [●] Equity Shares of face value of ₹10/- each, 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, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this Draft Red Herring Prospectus.

Individual Investor' means an investor who applies for Minimum two lots. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with BSE.

The Executive Director/ Managing Director of BSE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Offer 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 Offer.

The Book Running Lead Manager or the Registrar to the Offer will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Offer. The dispatch of Allotment Advice shall be deemed a 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 Offer Closing date. The Issuer also ensures the 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 Offer Account to Public Offer account of the issuer.

**Designated Date:**

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Offer Account with the Bankers to the Offer.

The Company will Offer 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/Offer 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 Offers using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an Offer with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e., [www.bseindia.com](http://www.bseindia.com) and NSE i.e., [www.nseindia.com](http://www.nseindia.com). With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Offer and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Offer with effect front January 01, 2016. The List of ETA and DPs centres for collecting the application shall be disclosed is available on the websites of BSE i.e., [www.bseindia.com](http://www.bseindia.com) and NSE i.e., [www.nseindia.com](http://www.nseindia.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 Offer will obtain front 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 Offer.

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 Offer, 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 Offer should be addressed to the Registrar to the Offer 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 Offer in case of any pre-Offer or post Offer 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 (SME platform of BSE Limited) where the Equity Shares are proposed to be listed are taken within 3 (three) working days from Offer 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 Offer Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 2(two) working days of the Offer Closing Date, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

#### **Right to Reject Applications**

In case of QIB Bidders, the Company in consultation with the Book Running Lead Manager may reject Applications provided that the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders, Individual Bidders who applied, the Company has a right to reject Applications based on technical grounds.

#### **Impersonation**

*Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:*

“Any person who-

- (a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- (b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- (c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”

#### **Undertakings by Our Company**

We undertake as follows:

- 1) That the complaints received in respect of the Offer shall be attended expeditiously and satisfactorily;
- 2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading on Stock Exchange where the Equity Shares are proposed to be listed within six working days from Offer Closure date.
- 3) That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Offer by our Company;

- 4) Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within six Working Days from the Offer Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- 5) That our Promoter 's contribution in full has already been brought in;
- 6) That no further Offer of Equity Shares shall be made till the Equity Shares Offered through the Prospectus are listed or until the Application monies are refunded on account of non-listing, undersubscription etc.;
- 7) That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;
- 8) If our Company does not proceed with the Offer after the Bid/Offer Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers where the Pre-Offer advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 9) If our Company withdraws the Offer after the Bid/Offer Closing Date, our Company shall be required to file a fresh Draft Red Herring Prospectus with the Stock exchange/RoC/SEBI, in the event our Company subsequently decides to proceed with the Offer;
- 10) If allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/ unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period.
- 11) that except for any allotment of Equity Shares pursuant to the Pre-IPO Placement, no further issue of Equity Shares shall be made until the Equity Shares issued or offered through this Prospectus are listed or until the Bid monies are refunded / unblocked in the ASBA Accounts on account of non-listing, under-subscription, etc.

#### **Undertakings by the Promoter Selling Shareholders**

Only statements and undertakings which are specifically “confirmed” or “undertaken” by the Promoter Selling Shareholders in this Draft Red Herring Prospectus shall be deemed to be “*Statements and Undertakings made by the Promoter Selling Shareholders*”. All other statements and/ or undertakings in this Draft Red Herring Prospectus shall be statements and undertakings made by our Company even if the same relates to the Promoter Selling Shareholders. The Promoter Selling Shareholders specifically confirms and undertakes the following in respect of himself and the Equity Shares being offered by him pursuant to the Offer for Sale:

- i. The portion of the offered Shares shall be transferred in the Offer free and clear of any pre-emptive rights, liens, mortgages, charges, pledges, trusts or any other encumbrance or transfer restrictions, both present and future, in a manner prescribed under Applicable Law in relation to the Offer, and without any objection by it and in accordance with the instructions of the Registrar to the Offer.
- ii. It shall not offer, lend, pledge, charge, transfer or otherwise encumber, sell, dispose off any of its respective Offered Shares being offered pursuant to the Offer until such time that the lock-in (if applicable) remains effective save and except as may be permitted under the SEBI ICDR Regulations;
- iii. The portion of the offered Shares have been held by the Promoter Selling Shareholders for a minimum period of one year prior to the date of filing the Draft Red Herring Prospectus, such period determined in accordance with Regulation 26 (6) of the SEBI ICDR Regulations.
- iv. He is the legal and beneficial owner and has full title of its respective portion of the offered Shares.
- v. That he shall provide all reasonable co-operation as requested by our Company and the Book Running Lead Manager in relation to the completion of the Allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders (as applicable) to the requisite extent of his portion of the offered Shares.
- vi. He will not have recourse to the proceeds of the Offer for Sale, until approval for final listing and trading of the Equity Shares is received from the Stock Exchanges.

vii. He will deposit his respective portion of the offered Shares in an escrow account opened with the Share Escrow Agent prior to filing of the Prospectus with the RoC.

viii. He 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 a Application in the Offer, and shall not make any payment, whether direct or indirect, whether in the nature of discounts, commission, allowance or otherwise, to any person who makes a Application in the Offer, except as permitted under applicable law;

ix. That he will provide such reasonable support and extend such reasonable cooperation as may be required by our Company and the Book Running Lead Manager in redressal of such investor grievances that pertain to the Equity Shares held by him and being offered pursuant to the Offer.

The Selling Shareholders has authorized the Company Secretary and Compliance Officer of our Company and the Registrar to the Offer to redress any complaints received from Applicants in respect of the Offer for Sale.

#### **Utilization of Offer Proceeds**

The Board of Directors of our Company certifies that:

- 1) All monies received out of the Offer shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
- 2) Details of all monies utilized out of the Offer referred above shall be disclosed and continue to be disclosed till the time any part of the Offer proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Offer, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested and
- 4) Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Offer.
- 5) Our Company shall not have recourse to the Offer Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
- 6) The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Offer shall be attended by our Company expeditiously and satisfactorily.

#### **Equity Shares in Dematerialized Form with NSDL or CDSL**

To enable all shareholders of our Company to have their shareholding in electronic form, the Company has signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- Tripartite Agreement dated November 08, 2024 between NSDL, the Company and the Registrar to the Offer;
- Tripartite Agreement dated February 14, 2025 between CDSL, the Company and the Registrar to the Offer;

The Company's equity shares bear an ISIN No. INE1B3501014.

## **RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 ("FEMA"). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India ("RBI") and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP").

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated Foreign Direct Investment Policy notified by the DPIIT File No. 5(2)/2020-FDI Policy dated October 15, 2020, with effect from October 15, 2020 (the "FDI Policy"), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT or the DPIIT that were in force and effect prior to October 15, 2020. The Government of India proposes to update the consolidated circular on FDI Policy once every year and therefore, the FDI Policy will be valid until the DPIIT issues an updated circular.

In terms of the FEMA NDI Rules, a person resident outside India may make investments into India, subject to certain terms and conditions, and provided that an entity of a country, which shares land border with India or the beneficial owner of an investment into India who is situated in or is a citizen of any such country, shall invest only with government approval.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI / RBI.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("Restricted Investors"), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Offer Period.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

### **Investment conditions/restrictions for overseas entities**

Under the current FDI Policy 2020, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Foreign Exchange Management (Non-debt Instruments) Rules, 2019. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment up to aggregate foreign investment level of 49% or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral/statutory cap.

#### **Investment by FPIs under Portfolio Investment Scheme (PIS)**

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24% of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10% and 24% will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

#### **Investment by NRI or OCI on repatriation basis:**

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as "Capital Instruments") of a listed Indian company on a recognized stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Foreign Exchange Management (Non-debt Instruments) Rules, 2019.

The total holding by any individual NRI or OCI shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

#### **Investment by NRI or OCI on non-repatriation basis**

As per current FDI Policy 2020, Foreign Exchange Management (Non-debt Instruments) Rules, 2019, Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non- repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("US Securities Act") or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of "US Persons" as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.

Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

Further, no offer to the public (as defined under Directive 2003/71/EC, together with any amendments) and implementing measures thereto, (the "Prospectus Directive") has been or will be made in respect of the Offer in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such Issue made under exemptions available under the Prospectus Directive, provided that no such Issue shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.

Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorized. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Draft Red Herring Prospectus.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

## **SECTION IX - MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION OF OUR COMPANY**

Pursuant to Schedule I of the Companies Act, and the SEBI ICDR Regulations, the Main provisions of the Articles of Association relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and Transmission of equity shares or debentures, their consolidation or splitting are as provided below. Each provision below is numbered as per the corresponding article number in the articles of association and defined terms herein have the meaning given to them in the Articles of Association.

*The following regulations comprised in the Articles of Association were altered pursuant to the member's special resolution passed at the Extra Ordinary General Meeting held on December 04, 2024.*

### **INTERPRETATION**

- I
1. In these regulations-
    - a. "The Act" means the Companies Act, 1956 & the Companies Act, 2013 to the extent it is applicable and any statutory modification thereof.
    - a. "the Seal" means the Common Seal of the Company.
    - b. "Company" means "ZELIO E-MOBILITY LIMITED"
    - c. "the Office" means the Registered Office of the Company.
    - d. "Directors" means the Directors of the Company and includes persons occupying the position of the Directors by whatever names called.
  2. Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the Company.

### **SHARE CAPITAL AND VARIATION OF RIGHTS**

- II. 1. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.
2.
    - i. Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,-
      - a. one certificate for all his shares without payment of any charges; or
      - b. several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
    - ii. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid - up thereon.
    - iii. In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
  3.
    - i. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back 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 deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.
    - ii. The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.

4. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
5.
  - i. The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.
  - ii. The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.
  - iii. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
6.
  - i. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
  - ii. To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
7. 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.
8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

#### **LIEN**

9.
  - i. The company shall have a first and paramount lien
    - a. on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
    - b. on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:  
Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.
  - ii. The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.
  - iii. That fully paid shares shall be free from all lien and that in the case of partly paid shares the Issuer's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.
10. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien: Provided that no sale shall be made-
  - a. unless a sum in respect of which the lien exists is presently payable; or
  - b. until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.



11.
  - i. To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof
  - ii. The purchaser shall be registered as the holder of the shares comprised in any such transfer.
  - iii. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
12.
  - i. The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
  - ii. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

### **CALLS ON SHARES**

13.
  - i. The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:  
  
Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.
  - ii. Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.
  - iii. A call may be revoked or postponed at the discretion of the Board.
  - iv. That any amount paid up in advance of calls on any share may carry interest but shall not in respect thereof confer a right to dividend or to participate in profits
14. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.
15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
16.
  - i. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.
  - ii. The Board shall be at liberty to waive payment of any such interest wholly or in part.
17.
  - i. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
  - ii. In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
18. The Board -
  - a. may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him and
  - b. upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

### **TRANSFER OF SHARES**

19.
  - i. The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.
  - ii. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
  - iii. That a common form of transfer shall be used
20. The Board may, subject to the right of appeal conferred by section 58 declines to register—
  - a. the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
  - b. any transfer of shares on which the company has a lien.
21. The Board may decline to recognise any instrument of transfer unless—
  - a. the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
  - b. the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
  - c. the instrument of transfer is in respect of only one class of shares.

That registration of 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 Issuer on any account whatsoever

22. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

### **TRANSMISSION OF SHARES**

23.
  - i. On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares
  - ii. Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
  - iii. That a common form of transmission shall be used
24.
  - i. Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either-
    - a. to be registered himself as holder of the share; or
    - b. to make such transfer of the share as the deceased or insolvent member could have made.
  - ii. The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
25.
  - i. If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

- ii. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- iii. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

### **FORFEITURE OF SHARES**

27. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.

28. The notice aforesaid shall-

- a. name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
- b. state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

29. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

- 30. i. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
- ii. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

31. i. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

ii. The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

32. i. A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

ii. The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

iii. The transferee shall thereupon be registered as the holder of the share; and

- iv. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
33. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

#### **ALTERATION OF CAPITAL**

34. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
35. Subject to the provisions of section 61, the company may, by ordinary resolution-
- i. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
  - ii. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
  - iii. sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum; and
  - iv. cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
  - v. Permission for sub-division/ consolidation of share certificates

36. Where shares are converted into stock,—
- a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

- b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
  - c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.
37. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law-
- its share capital;
  - any capital redemption reserve account; or
  - any share premium account.

#### **CAPITALISATION OF PROFITS**

38. i. The company in general meeting may, upon the recommendation of the Board, resolve-
- a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company’s reserve accounts, or to the credit of the, profit and loss account, or otherwise available for distribution; and

- b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
  - ii. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards-
    - a. paying up any amounts for the time being unpaid on any shares held by such members respectively;
    - b. paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
    - c. partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
    - d. A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
    - e. The Board shall give effect to the resolution passed by the company in pursuance of this regulation.
- 39.
- i. Whenever such a resolution as aforesaid shall have been passed, the Board shall-
    - a. make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all
    - b. allotments and issues of fully paid shares if any; and
    - c. generally do all acts and things required to give effect thereto.
  - ii. The Board shall have power-
    - a. to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
    - b. to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;
  - iii. Any agreement made under such authority shall be effective and binding on such members

#### **BUY-BACK OF SHARES**

40. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

#### **GENERAL MEETINGS**

41. All general meetings other than annual general meeting shall be called extraordinary general meeting.
- 42.
- i. The Board may, whenever it thinks fit, call an extraordinary general meeting.
  - ii. If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

#### **PROCEEDINGS AT GENERAL MEETINGS**

- 43.
- i. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
  - ii. Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.
44. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

45. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
46. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

#### **ADJOURNMENT OF MEETING**

47. i. The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
- ii. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- iii. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- iv. Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

#### **VOTING RIGHTS**

48. Subject to any rights or restrictions for the time being attached to any class or classes of shares,
- a) on a show of hands, every member present in person shall have one vote;
- b) and on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
- c) That option or right to call of shares shall not be given to any person except with the sanction of the Issuer in general meetings
49. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
50. i. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
- ii. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
51. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
52. Any business other than that upon which a poll has been demanded maybe proceeded with, pending the taking of the poll.
53. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid
54. i. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
- ii. Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

### PROXY

55. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
56. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105
57. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:
- Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

### BOARD OF DIRECTORS

58. The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them. The first Directors of the Company shall be:
1. Mr. Niraj Arya
  2. Mr. Kunal Arya
  3. Mr. Deepak Arya
59. i. The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
- ii. In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them-
- a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
  - b) in connection with the business of the company.
60. The Board may pay all expenses incurred in getting up and registering the company.
61. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.
62. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
63. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
64. i. Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.
- ii. Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

### PROCEEDINGS OF THE BOARD

65. i. The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

- ii. A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
- 66.
- i. Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
  - ii. In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
67. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.
- 68.
- i. The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
  - ii. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their numbers to be Chairperson of the meeting.
  - iii. The Managing Director of the Company may also be appointed as Chairman of the Company by complying with the necessary formalities as may be required by the law for the time being in force.
- 69.
- i. The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
  - ii. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
- 70.
- i. A committee may elect a Chairperson of its meetings.
  - ii. If no such Chairperson is elected, or if at any meeting the 72 Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
- 71.
- i. A committee may meet and adjourn as it thinks fit.
  - ii. Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
72. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
73. 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.

**CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER**

74. Subject to the provisions of the Act,
- i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;



ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer

75. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

#### **THE SEAL**

76. i. The Board shall provide for the safe custody of the seal.

ii. The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

#### **DIVIDENDS AND RESERVE**

77. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

78. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

79. i. The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.

ii. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

80. i. Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

ii. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

iii. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly. That there shall be no forfeiture of unclaimed dividends before the claim becomes barred by law.

81. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

82. i. Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

ii. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

83. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
84. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
85. No dividend shall bear interest against the company.

#### **ACCOUNTS**

86. i. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.
- ii. No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

#### **WINDING UP**

87. Subject to the provisions of Chapter XX of the Act and rules made thereunder-
- i. If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.
- ii. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
- iii. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

#### **INDEMNITY**

88. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

## **SECTION X – 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 the Company or entered into more than two years before the date of the Draft Red Herring Prospectus) which are or may be deemed material have been entered or to be entered into by the Company which are or may be deemed material will be attached to the copy of the Red Herring Prospectus/Prospectus, delivered to the Registrar of Companies, for filing. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Corporate Office between 10 a.m. and 5 p.m. on all Working Days from the date of this Red Herring Prospectus until the Bid/ Offer Closing Date.

#### **Material Contracts**

1. Offer Agreement dated March 20, 2025 between our Company, Promoter Selling Shareholders and the Book Running Lead Manager to the Offer.
2. Registrar Agreement dated March 21, 2025 executed between our Company, Promoter Selling Shareholders and the Registrar to the Offer.
3. Monitoring agency agreement dated [●] between our Company and the Monitoring Agency.
4. Banker to the Offer Agreement dated [●] among our Company, Promoter Selling Shareholders, Book Running Lead Manager, Banker to the Offer and the Registrar to the Offer.
5. Share Escrow Agreement dated [●] entered into among the Promoter Selling Shareholders, our Company, Book Running Lead Manager and the Share Escrow Agent.
6. Market Making Agreement dated [●] between our Company, Book Running Lead Manager and Market Maker.
7. Underwriting Agreement dated [●] between our Company, Promoter Selling Shareholders and Underwriter.
8. Syndicate Agreement dated [●] among our Company, Promoter Selling Shareholders, Book Running Lead Manager and Syndicate Members.
9. Tripartite Agreement dated February 14, 2025 among CDSL, the Company and the Registrar to the Offer.
10. Tripartite Agreement dated November 08, 2024 among NDSL, the Company and the Registrar to the Offer.

#### **Material Documents**

1. Certified copies of the Memorandum and Articles of Association of the Company as amended.
2. Certificate of Incorporation dated July 15, 2021 issued by the Registrar of Companies, Central Registration Centre.
3. Fresh certificate of incorporation consequent upon change of name dated November 21, 2024 issued by the Registrar of Companies, Central Registration Centre.
4. Fresh Certificate of Incorporation dated November 29, 2024 issued by the Registrar of Companies, Central Registration Centre consequent upon conversion from private company to public company.
5. Copy of the Board Resolution dated March 15, 2025 authorizing the Offer and other related matters.
6. Copy of Shareholder's Resolution dated March 18, 2025 authorizing the Offer and other related matters.
7. Copies of Audited Financial Statements of our Company for the stub period ended September 30, 2024 and the financial year ended March 31, 2024, 2023 and 2022.
8. Peer Review Auditors Report dated February 17, 2025 on the Restated Financial Statements for the six months period ended September 30, 2024 and the financial years ended March 31, 2024, 2023 and 2022.
9. Copy of the Statement of Special Tax Benefits dated February 17, 2025 from the Peer Review Auditor.
10. Certificate on Key Performance Indicators (KPI's) issued by Peer Review Auditor dated February 17, 2025.
11. Consents of the Book Running Lead Manager to the Offer, Legal Advisor to the Offer, Registrar to the Offer, Market Maker, Syndicate Member, Underwriter, Banker to the Offer / Sponsor Bank, Peer Review Auditor, Statutory Auditor of the Company, Monitoring Agency, Senior Management, Bankers to our Company, Directors, Promoters, Promoter Selling Shareholders, Company Secretary and Compliance Officer and Chief Financial Officer, as referred to, in their respective capacities.
12. Board Resolution dated March 30, 2025 for approval of Draft Red Herring Prospectus and dated [●] for approval of Red Herring Prospectus and dated [●] for approval of Prospectus.
13. Due Diligence Certificate from Book Running Lead Manager dated March 30, 2025.
14. Site visit report prepared by the Book Running Lead Manager dated December 17, 2024.

15. Approval from BSE vide letter dated [●] to use the name of BSE in the Prospectus for listing of Equity Shares on the BSE SME (SME Platform) of the BSE Limited.

Any of the contracts or documents mentioned in this Draft Red Herring 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 and other relevant statutes.

**DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Kunal Arya Managing Director DIN: 09241630	Sd/-

Date: March 30, 2025

Place: Hisar

**DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Niraj Arya Chairman & Whole Time Director DIN: 09241628	Sd/-

Date: March 30, 2025

Place: Hisar

**DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Deepak Arya Whole Time Director DIN: 09241629	Sd/-

Date: March 30, 2025

Place: Hisar

**DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Sayuri Arya Non - Executive Director DIN: 10942187	Sd/-

Date: March 30, 2025

Place: Hisar



**DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Sulabh Jain Independent Director DIN: 07739598	Sd/-

Date: March 30, 2025

Place: Hisar

**DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Meenakshi Jain Independent Director DIN: 10937510	Sd/-

Date: March 30, 2025

Place: Hisar

**DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Shubham Garg Chief Financial Officer	Sd/-

Date: March 30, 2025

Place: Hisar

**DECLARATION**

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE COMPANY SECRETARY OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Priyanka Garg Company Secretary & Compliance officer M. No.: A49087	Sd/-

Date: March 30, 2025

Place: Hisar

**DECLARATION BY PROMOTER SELLING SHAREHOLDERS**

I, Niraj Arya, hereby confirms that all statements, disclosures and undertakings specifically made or confirmed by me in this Draft Red Herring Prospectus, about or in relation to myself as a Promoter Selling Shareholder and the Equity Shares being offered by me in the Offer for Sale, are true and correct. I assume no responsibility for any other statements, disclosures or undertakings including, any of the statements, disclosures or undertakings made or confirmed by the Company, any other Promoter Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

**SIGNED BY THE PROMOTER SELLING SHAREHOLDER OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Niraj Arya Promoter Selling Shareholder	Sd/-

Date: March 30, 2025

Place: Hisar

**DECLARATION BY PROMOTER SELLING SHAREHOLDERS**

I, Kunal Arya, hereby confirms that all statements, disclosures and undertakings specifically made or confirmed by me in this Draft Red Herring Prospectus, about or in relation to myself as a Promoter Selling Shareholder and the Equity Shares being offered by me in the Offer for Sale, are true and correct. I assume no responsibility for any other statements, disclosures or undertakings including, any of the statements, disclosures or undertakings made or confirmed by the Company, any other Promoter Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

**SIGNED BY THE PROMOTER SELLING SHAREHOLDERS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Kunal Arya Promoter Selling Shareholder	Sd/-

Date: March 30, 2025

Place: Hisar

**DECLARATION BY PROMOTER SELLING SHAREHOLDERS**

I, Deepak Arya, hereby confirms that all statements, disclosures and undertakings specifically made or confirmed by me in this Draft Red Herring Prospectus, about or in relation to myself as a Promoter Selling Shareholder and the Equity Shares being offered by me in the Offer for Sale, are true and correct. I assume no responsibility for any other statements, disclosures or undertakings including, any of the statements, disclosures or undertakings made or confirmed by the Company, any other Promoter Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

**SIGNED BY THE PROMOTER SELLING SHAREHOLDERS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
Deepak Arya Promoter Selling Shareholder	Sd/-

Date: March 30, 2025

Place: Hisar