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(Please scan this QR Code to view the Addendum to DRHP)



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, 1st 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; **Website:** www.zelioebikes.com
Contact Person: Priyanka Garg, Company Secretary & Compliance Officer

PROMOTERS OF OUR COMPANY: NIRAJ ARYA, KUNAL ARYA, DEEPAK ARYA AND SAYURI ARYA
ADDENDUM TO THE DRAFT RED HERRING PROSPECTUS DATED MARCH 30, 2025: NOTICE TO THE INVESTORS (“THE ADDENDUM”)

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.

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.

Potential Bidders may note the following:

1. The Chapter titled “**Definitions and Abbreviations**” beginning on page 1 of the Draft Red Herring Prospectus has been updated;
2. The Chapter titled “**Summary of Draft Red Herring Prospectus**” beginning on page 22 of the Draft Red Herring Prospectus has been updated;
3. The Chapter titled “**Risk Factors**” beginning on page 29 of the Draft Red Herring Prospectus has been updated;
4. The Chapter titled “**General Information**” beginning on page 59 of the Draft Red Herring Prospectus has been updated;
5. The Chapter titled “**Capital Structure**” beginning on page 69 of the Draft Red Herring Prospectus has been updated;
6. The Chapter titled “**Objects of the Offer**” beginning on page 81 of the Draft Red Herring Prospectus has been updated;
7. The Chapter titled “**Our Business**” beginning on page 111 of the Draft Red Herring Prospectus has been updated;
8. The Chapter titled “**Government and Other Approvals**” beginning on page 239 of the Draft Red Herring Prospectus has been updated;
9. The Chapter titled “**Material Contracts and Documents for Inspection**” beginning on page 319 of the Draft Red Herring Prospectus has been updated;
10. The Chapter titled “**Declaration**” beginning on page 231 of the Draft Red Herring Prospectus has been updated;
11. Please note that all other details in, and updates to the Red Herring Prospectus/ Prospectus with respect to offer price and/or other relevant details will be carried out in the Red Herring Prospectus, as and when filed with ROC, SEBI and the Stock Exchange.

The above is to be read in conjunction with the Draft Red Herring Prospectus and accordingly their references in the Draft Red Herring Prospectus stand amended pursuant to this Addendum. Please note that the changes pursuant to this Addendum will be appropriately included in the Red Herring Prospectus/ Prospectus, as and when filed with the RoC, the SEBI and the Stock Exchanges. All capitalized terms used in this Addendum shall, unless the context otherwise requires, have the meaning ascribed to them in the Draft Red Herring Prospectus.

**On behalf of Zelio E-Mobility Limited
(Formerly known as Zelio Auto Private Limited)**

Place: Hisar, Haryana

Date: July 31, 2025

Sd/
Priyanka Garg
Company Secretary & Compliance Officer

BOOK RUNNING LEAD MANAGER TO THE OFFER		REGISTRAR TO THE OFFER
 Hem Securities		
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 Investor Grievance Email: redressal@hemsecurities.com Website: 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 Investor Grievance ID: investor.ipo@maashitla.com Contact Person: Mukul Agrawal Website: www.maashitla.com SEBI Registration No.: INR000004370 CIN: U67100DL2010PTC208725
BID/OFFER PROGRAMME		
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

Offer Related Terms

Terms	Description
Designated Market Maker	Member Brokers of BSE who are specifically registered as Market Makers with the SME Platform of BSE. In our case, Hem Finlease Private Limited is the sole Market Marker.
Market Making Agreement	The Market Making Agreement dated July 21, 2025 between our Company, Promoter Selling Shareholder, Book Running Lead Manager and Market Maker.
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. The underwriter to the offer is Hem Securities Limited.
Underwriting Agreement	The Agreement dated July 21, 2025 entered between the Underwriter, BRLM, Promoter Selling shareholders and our Company.

SECTION II – SUMMARY OF DRAFT RED HERRING PROSPECTUS**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	2,000.00
2.	Funding the Capital Expenditure requirements towards setting up of a new manufacturing unit	1,940.40
3.	To Meet Working Capital Requirement#	500.00
4.	General Corporate Purpose.	[-]
	Total	[-]

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.

K. SUMMARY OF RELATED PARTY TRANSACTIONS**B. Details of Transactions with related parties**

(Amount in Rs. lakhs except percentages)

Nature of Transaction	Name of related party	For the period / year ended							
		30 th September, 2024	% to total revenue	31 st March, 2024	% to total revenue	31 st March, 2023	% to total revenue	31 st March, 2022	% to total revenue
Revenue From Operations		7,527.98	100.00%	9,442.5	100.00%	5,125.07	100.00%	1,289.32	100.00%
Remuneration	Niraj Arya	16	0.21%	18	0.19%	18	0.35%	10.5	0.81%
	Deepak Arya	16	0.21%	18	0.19%	18	0.35%	10.5	0.81%
	Kunal Arya	16	0.21%	18	0.19%	18	0.35%	10.5	0.81%
	Sayuri Arya	3.9	0.05%	5.2	0.06%	-	-	-	-
Loan taken	Niraj Arya	3.6	0.05%	11.25	0.12%	6.5	0.13%	35	2.71%
	Deepak Arya	-	-	6.3	0.07%	0.9	0.02%	50.5	3.92%
	Kunal Arya	3.11	0.04%	15	0.16%	9.55	0.19%	21.5	1.67%
	Deepak Arya HUF	-	-	-	-	-	-	19	1.47%
Loan repayment	Niraj Arya	6.59	0.09%	9.9	0.10%	4	0.08%	-	-
	Deepak Arya	3	0.04%	2.5	0.03%	-	-	-	-
	Kunal Arya	3.11	0.04%	9.7	0.10%	-	-	0.1	0.01%
Interest paid / payable	Niraj Arya	2.36	0.03%	4.42	0.05%	3.56	0.07%	1.65	0.13%
	Deepak Arya	3.24	0.04%	5.78	0.06%	5.19	0.10%	1.55	0.12%
	Kunal Arya	2.12	0.03%	3.31	0.04%	2.56	0.05%	0.58	0.04%
	Deepak Arya HUF	1.2	0.02%	2.19	0.02%	2.01	0.04%	1.17	0.09%
Reimbursement of expenses	Niraj Arya	-	-	-	-	-	-	2.84	0.22%
	Kunal Arya	0.41	0.01%	0.36	0.00%	0.25	0.00%	-	-
	Sayuri Arya	0.16	0.00%		0.00%		0.00%		0.00%
	Anchal Aggarwal	1.5	0.02%		0.00%		0.00%		0.00%
	Rajdhani Machinery Store	-	-	1.96	0.02%	1.16	0.02%	1.01	0.08%
Commission paid	Anchal Aggarwal	-	-	9.5	0.10%	9.7	0.19%	8	0.62%

Nature of Transaction	Name of related party	For the period / year ended							
		30 th September, 2024	% to total revenue	31 st March, 2024	% to total revenue	31 st March, 2023	% to total revenue	31 st March, 2022	% to total revenue
Purchase of Goods (Including GST)	M/s Jai Bharat Engineering Tools	-	-	-	-	155.62	3.04%	16.96	1.32%
	M/s Rajdhani Machinery Store	-	-	-	-	1.44	0.03%	0.6	0.05%
	M/s Aryan Distributors	-	-	10.08	0.11%	-	-	-	-
	M/s Jai Bharat Auto Components	284.6	3.78%	202.54	2.14%	-	-	-	-
Purchase of Property, plant and equipment (including GST)	M/s Jai Bharat Engineering Tools	16.05	0.21%	7.94	0.08%	0.34	0.01%	2.31	0.18%
	M/s Rajdhani Machinery Store	-	-	-	-	-	-	0.4	0.03%
Sale of Goods (Including GST)	M/s Rajdhani Machinery Store	431.01	5.73%	712.82	7.55%	800.51	15.62%	279.62	21.69%
	M/s Jai Bharat Auto Components	25.44	0.34%	14.67	0.16%	-	-	-	-

SECTION III: RISK FACTORS

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 **Error! Bookmark not defined.** of this 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 Top 1, 3, and 5 suppliers are as follows:

Particulars	For the period/ year ended			
	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Top 1 Suppliers	25.55%	25.15%	33.05%	58.41%
Top 3 Suppliers	61.97%	52.07%	59.88%	81.90%
Top 5 Suppliers	72.86%	64.84%	74.30%	89.16%

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. Following is the Revenue Bifurcation from Top -5 States during the mentioned periods:

Name of the state	For the period ended on September 30, 2024	
	Amount in Rs. lakhs	% to total sales
Haryana	2,279.03	30.27
Gujarat	888.23	11.80
Uttar Pradesh	771.81	10.25
West Bengal	705.06	9.37
Punjab	688.33	9.14
TOTAL	5,332.46	70.83

Name of the state	For the year ended on March 31, 2024	
	Amount in Rs. lakhs	% to total sales
Haryana	3,910.01	41.41
Uttar Pradesh	1,012.52	10.72
West Bengal	964.97	10.22
Punjab	925.65	9.80
Odisha	853.74	9.04
TOTAL	7,666.89	81.19

Name of the state	For the year ended on March 31, 2023	
	Amount in Rs. lakhs	% to total sales
Haryana	2,826.33	55.15
West Bengal	686.55	13.40
Punjab	657.27	12.82
Uttar Pradesh	280.49	5.47
Odisha	175.35	3.42
TOTAL	4,625.99	90.26

Name of the state	For the year ended on March 31, 2022	
	Amount in Rs. lakhs	% to total sales
Haryana	868.20	67.34
Punjab	171.47	13.30
West Bengal	91.87	7.12
Rajasthan	72.59	5.63
Uttar Pradesh	40.85	3.17
TOTAL	1,244.98	96.56

For details related to total revenue from operations, kindly refer section titled “*Financial Information of the Company*” beginning on Page **Error! Bookmark not defined.** 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.

Our company outsources major components of the EVs manufactured by us, which are manufactured through assembling various components. These components are imported, majorly from China, by us. 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%
TOTAL	6,503.07	100.00%	7,610.97	100.00%	3,819.29	100.00%	1190.50	100.00%

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.

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 8 trademarks registered in our name and 1 design registration in India. Additionally, 8 trademark applications are currently under various stages of processing, out of which 2 trademarks, namely (i) Device mark under Class 12 (Application No. 5997105, filed on June 26, 2023) and (ii) the word mark “ELECTRIDE” under Class 12 (Application No. 6290963, filed on February 7, 2024), have been objected by third parties. We have filed appropriate responses to these objections, and the applications are currently under examination. However, there can be no assurance that these objections will be resolved in our favour or that we will be granted exclusive rights over the marks. Any failure to obtain, maintain, or adequately protect our intellectual property rights could adversely affect our brand, business operations, and competitive position. 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.

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. Our registered office has been taken on rent for a period of 11 months through rent agreement and warehouse has been taken on rent for a period of 11 months through rent agreement. For further details, 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.

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.

Our % of revenue from operations for the said periods from our Top 1, 5 and 10 dealers as compared to total revenue from operations generated by the company are as follows:

Particulars	For the period/ year ended			
	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Top 1 Dealer	6.12%	7.18%	14.81%	20.65%
Top 5 Dealers	20.68%	26.01%	38.04%	43.23%
Top 10 Dealers	30.44%	39.03%	50.53%	57.98%

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 **Error! Bookmark not defined.** of this Draft Red Herring Prospectus.

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 machineries 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 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. Additionally, to increase business operations, requisite machineries like Conveyor belt, Laser Cutting Machine, Welding Machine, Dip type paint shop etc. will be purchased and installed. Setting up of new manufacturing unit includes, civil construction and purchase of plant and machineries to be installed. 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.

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.

As per the above table, for the capacity utilization, on the first glance it seems the company has been under-utilizing its capacity and has been operating on sub-par levels whereas as seen from the capacity utilization table, we have increasing trend in the expansion of installed capacity as during FY 2022-23 and FY 2023-24, we have made investment in property, plant and equipment comprising of land, building and plant and machineries totaling to Rs. 65.38 lakhs and Rs. 679.12 lakhs respectively.

Further, the utilization has increased as the production has gone from 11,227 units for FY 2022-23 to 19,758 units for FY 2023-24 showing an increase of 75.99% and along with, the sales of the company comprising of electric vehicles and accessories have increased from Rs. 5125.07 lakhs in FY 2022-23 to Rs. 9442.50 lakhs in FY 2023-24 reflecting the increase in the demand of the product.

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.

58. *There are certain delays noticed in some Statutory filings with the Registrar of Companies, EPFO, ESIC and other statutory authorities. Any Penalty or demand raised by any statutory authorities in future will affect the reputation and financial position of the Company.*

Our Company has experienced delays in some Statutory filings including filling some of our corporate records with the Registrar of Companies, Delhi & Haryana. However, our Company has filed these forms upon payment of the requisite late fees, wherever applicable. No show cause notice in respect of the above has been received by the company till date. It cannot be assured that there will be no such instances in the future or our company will not commit any further delays in relation to its reporting requirements or any penalty or fine will not be imposed by any regulatory authority in respect of the same. The happening of such event may cause a material effect on our results of operations and financial position.

Further, 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. Our Company has generally complied with applicable employee-related statutory filings; however, there have been certain delays in filing returns with the EPFO and ESIC in the past. However, our Company subsequently completed the delayed filings upon payment of the requisite late fees or interest, wherever applicable and No show cause notice in respect of the above has been received by the company till date. 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.”

64. *“There is no guarantee that the Equity Shares issued pursuant to the Offer will be listed on the BSE 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 issuance 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.”

SECTION IV: INTRODUCTION**GENERAL INFORMATION****Details of Key Intermediaries pertaining to this offer and our Company:**

Monitoring Agency
Brickwork Ratings India Private Limited Address: 3 rd Floor, Raj Alkaa Park, Kalena Agrahara, Bannerghatta Road, Bangalore – 560076 Tel No: 080-4040 9940/080-4040 9999 E-mail ID: abhinandan.s@brickworkratings.com Website: www.Brickworkratings.com Contact person: Abhinandan Sharda SEBI registration number: IN/CRA/005/2008 CIN: U67190KA2007PTC043591

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 Brickwork Ratings India Private Limited as the Monitoring Agency to monitor the utilization of the Gross Proceeds, in accordance with Regulation 262 of the SEBI ICDR Regulations. For details in relation to the proposed utilization of the Gross Proceeds, see “*Objects of the Offer*” on page 13 of this Draft Red Herring Prospectus.

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 Hem Securities Limited in the capacity of Underwriter to the Offer.

Pursuant to the terms of the Underwriting Agreement dated July 21, 2025 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
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 Investor Grievance Email: redressal@hemsecurities.com Website: www.hemsecurities.com Contact Person: Rohit Sharma SEBI Reg. No.: INM000010981	64,20,000	[•]	100%

*Includes 3,30,000 Equity Shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker, Hem Finlease Private Limited 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.

Details of the Market Making arrangement for this Offer

Our Company has entered into a Market Making Agreement dated July 21, 2025 with the following Market Maker for fulfilling the Market Making obligations under this Offer:

Name	Hem Finlease Private Limited
Correspondence Address:	203, Jaipur Tower, M I Road, Jaipur, Rajasthan 302001, India
Tel No.:	0141-4051000
E-mail:	ib@hemsecurities.com
Website:	www.hemsecurities.com
Contact Person:	Ashok Soni
SEBI Registration No.:	INZ000168034
Market Maker Registration No.	SMEREG2020090906741

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 July 21, 2025 to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this Offer.

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

CAPITAL STRUCTURE

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 54,58,897 Equity Shares shall be locked in for a period of one year and remaining 50% of pre-offer Equity Shares constituting 54,58,897 Equity Shares shall be locked in for a period of two years from the date of allotment of Equity Shares in this Offer.

OBJECTS OF THE OFFER**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	2,000.00
2.	Funding the Capital Expenditure requirements towards setting up of a new manufacturing unit	1,940.40
3.	To Meet Working Capital Requirement#	500.00
4.	General Corporate Purpose	[●]
	Total	[●]

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.

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

(Amount in Rs. Lakhs)

Sr No	Name of the lender	Purpose	Loan/ Agreement A/c No./ Ref. No. and Date	Sanctioned amount	Date of Disbursement	Pre-payment 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 Date of Sanction: 03.05.2023 Last Date of Modification: 11.04.2025	1700.00	06.05.2023	N.A.	8.75% Linked with TBILL with 3 months frequency	Repayable on Demand (Annual Renewal)	1566.95
		Term Loan	86614863 Date of Sanction: 28.06.2022 Last Date of Modification: 11.04.2025	480.00	09.07.2022	N.A.		90 monthly instalments of Rs. 7.26 lakhs	342.77
		Term Loan	88676580 Date of Sanction: 25.08.2023 Last Date of Modification: 11.04.2025	200.00	13.09.2023	N.A.		61 monthly instalments amount Rs. 3.26 lakhs	120.32
2.	ICICI Bank Limited	Cash Credit	246151000038 Date of Sanction: 21.09.2024 Last Date of Modification: 21.09.2024	499.00	22.11.2024	N.A.	8.25%	Repayable on Demand (Annual Renewal)	488.80
TOTAL									2,518.84

Note: The details included in the above table have been certified by our Statutory Auditors pursuant to their certificate dated June 09, 2025.

Our Statutory Auditors by way of their certificate dated June 09, 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.

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

Estimated Cost

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

Sr No	Particulars	Estimated Cost	Amount to be utilized from Net Proceeds
a	Building and Civil Works	344.94	1,940.40
b	Plant & Machineries	1,595.46	
	Total	1,940.40	

(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 of Quotation	Item Descriptions	Supplier Name	Validity of Quotation	Estimated Cost #
July 16, 2025	Supply & Erection of Pre-Engineering Building System	Shree Ram Steel Industries	12 Months	288.59
February 27, 2025	Office Block	Rathor Construction Company	6 Months	56.35
TOTAL				344.94

#Inclusive of GST

(b) Plant & Machineries

Our Company proposes to acquire plant and machinery at an estimated cost of Rs. 1,595.46 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 of Quotation	Item Descriptions	Qty.	Supplier Name	Validity of Quotation	Estimated Cost #
July 10, 2025	Assembly Line Slat Conveyor	1	BharatQ Conveyor Automation Pvt. Ltd.	180 Days	48.97
July 10, 2025	Dip Type Pre-treatment line and conveyORIZED paint shop	1	KSW India Pvt. Ltd	6 Months	271.40
July 17, 2025	125 KVA Silent DG Set	1	Sudhir Power Limited	120 Days	13.63
July 10, 2025	CNC Synchro Y1 Y2 X Hydraulic Press Brake 100 Ton	1	TECHPRO	November 10, 2025	19.77
July 10, 2025	Fiber Laser Cutting Machine	1	Hindustan Hydraulic	4 Months	68.44
February 11, 2025	2.5 Inch Pipe Size- 3 Axis CNC Pipe Bending Machine	1	Thorson Industries LLP	180 Days	21.48
July 11, 2025	MASKOT horizontal metal cutting bandsaw cutting	1	Machine Inc.	30 Days	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
July 11, 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
July 10, 2025	Material Storage Rack	1	Ganpati Steel	3 Months	18.59
March 05, 2025	Auster Ceiling Fan	5	Austar Technology	6 Months	10.21

Date of Quotation	Item Descriptions	Qty.	Supplier Name	Validity of Quotation	Estimated Cost #
February 18, 2025	Security System	1	A to Z Security	6 Months	2.73
March 07, 2025	Electrical Work	-	Hindustan Power Control System	6 Months	122.36
March 03, 2025	Weight bridge	1	Electroweigh Solutions	6 Months	6.27
July 10, 2025	Mould for Plastic Part	2	JSG Innotech Pvt. Ltd.	6 Months	848.79
July 21, 2025	Design Software & Licence System	1	DDSPLM Pvt. Ltd.	September 10, 2025	11.12
TOTAL					1,595.46

#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	Consent to Establish	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	Received
2	Factory License	Factories Act, 1948	Chief Inspector of Factories, Haryana	After completion of factory construction
3	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
4	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.

The Proposed Schedule of implementation for setting up of manufacturing unit is as follows:

Particulars	Estimated Month for working
Building and Civil Works	November 2025
Order of Machinery	December 2025
Delivery of Machinery	January 2026
Installation of Machinery	February 2026
Trial Run	March 2026
Commercial Operation	April 2026

5. To Meet Working Capital Requirement

Justification:

Criteria	Justification
Debtors	The trade receivables have been ranging between Rs. 26.37 lakhs to Rs. 160.88 lakhs 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. As the Company wished to extend more favorable credit terms to its customers, thus resulting into higher growth of sales and revenue from operations. Thus, as a factor to increasing working capital requirement, the current credit terms, the holding level for debtors have increased over the period. This adjustment with company's strategy to expand operations while ensuring financial sustainability.

	Also, as we are expanding into new facility and as we are increasing the penetration and exploring new areas. In furtherance of the same, we would be requiring to maintain good terms with the new and existing vendors, which will require us to extend favorable credit terms and provide some incentives for enhancing business.
Creditors	<p>According to the past trend of trade payables which has been in the range of Rs. 170.00 lakhs to Rs. 275.79 lakhs during Fiscal 2021-22 to 2023-24. As mentioned in the holding period table, the company intended to reduce trade payables period 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. As the business of the company grew over the period, the amount required to settle trade payable, also, grew over the period, hence, contributing to increase the working capital requirements.</p> <p>For favoring the expansion and furthering our business, we were required and would be requiring better terms of dealing with our vendors and scoring better services from our vendors along with availing bulk discounts, which would be require and in future requiring to make faster payments and sometimes, advance payments. This would make us require more working capital in future as in past.</p>
Inventories	<p>Inventories include raw material and finished goods. To increase business operations, the company held Rs. 1,352.11 lakhs at the closing period of the FY 2023-24 whereas in FY 2021-22, company held Rs. 580.86 lakhs of inventory in the closing period. This increase was due to increase in revenue generated by the company and increase in its scale of operations. Sales for the FY 2021-22 stood at Rs. 1,289.32 lakhs whereas for the FY 2023-24, sale for the period stood at Rs. 9442.50 lakhs reflecting an increase of 632.36% over the period, hence, justifying the increase in working capital.</p> <p>As to favor our expansion and furthering businesses, as well as providing faster deliveries to our customers and storing inventories from our suppliers, we required and would be requiring additional working capital. Also, as we were and would be exploring new business avenues through new products, this would also require additional working capital to maintain inventories for the same and serve our customers.</p>

Note: The details mentioned above have been certified by our Statutory Auditors pursuant to their certificate dated March 29, 2025.

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 (Chartered Engineer, Practicing Company Secretary, Independent Chartered Accountants among others)	[●]	[●]	[●]
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).	[●]	[●]	[●]
Total Estimated Offer Expenses	[●]	[●]	[●]

Monitoring Utilization of Funds

In accordance with Regulation 262 of the SEBI ICDR Regulations, our Company has appointed **Brickwork Ratings India Private Limited** as the monitoring agency ("**Monitoring Agency**") to monitor the utilization of the Gross Proceeds. Our Company undertakes to place the Gross Proceeds in a separate bank account which shall be monitored by the Monitoring Agency for utilization of the Gross Proceeds. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay and in accordance with the applicable laws. Our Company will disclose the utilization of the Gross Proceeds, including interim use under a separate head in its balance sheet for such financial year/periods as required under the SEBI ICDR Regulations, the SEBI Listing Regulations and any other applicable laws or regulations, specifying the purposes for which the Gross Proceeds have been utilized. Our Company will also, in its balance sheet for the applicable financial year, provide details, if any, in relation to all such gross Proceeds that have not been utilized, if any, of such currently unutilized Gross Proceeds. The reports of the monitoring agency on the utilization of the Gross Proceeds shall indicate the deployment of the Gross Proceeds under the following heads:

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 Requirements of our Company
4. General Corporate Purpose
5. Issue Expense

Pursuant to Regulation 32(3) of the SEBI Listing Regulations, our Company shall, on a Quarterly basis, disclose to the Audit Committee the uses and applications of the Gross Proceeds. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than those stated in the Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Gross Proceeds remain unutilized. Such disclosure shall be made only until such time that all the Gross Proceeds have been utilized in full. The statutory auditor of our Company will also provide report/ certificate on the utilization of the Gross Proceeds to the monitoring agency.

Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a Quarterly basis, a statement indicating (i) deviations, if any, in the actual utilization of the proceeds of the Fresh Issue from the Objects; and (ii) details of category wise variations in the actual utilization of the proceeds of the Fresh Issue from the objects of the Fresh Issue as stated above. This information will also be uploaded on our website i.e. www.zelioebikes.com . This information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our directors' report, after placing the same before the Audit Committee.

SECTION V: ABOUT THE COMPANY

OUR BUSINESS

HUMAN RESOURCES

Below is the bifurcation of employees.

Department	No of Employees
Accounts and Finance	5
HR and Administration	12
Productions and Operations	81
Design and Development	4
Inventory and Dispatch	41
Sales	20
After Sales Service	13
Total	176

SECTION VII: LEGAL AND OTHER INFORMATION**GOVERNMENT AND OTHER APPROVALS****IV. 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
4.	Consent to Operate	330015525HISCTO98617582	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 19, 2025 March 18, 2030	Regional Officer, Hisar, Haryana State Pollution Control Board	April 08, 2025	December 31, 2029
5.	Permission Certificate for Ground Water Extraction	HWRA/NOC/IND/N/2025/2639	The Haryana Water Resources (Conservation, Regulation and Management) Authority Act, 2020	Government of Haryana Haryana Water Resources Authority	April 28, 2025	April 27, 2026

Proposed Manufacturing Unit :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

Sr. No.	Nature of Registration/ License	Registration / License No.	Applicable Laws	Issuing Authority	Date of Issue	Date of Expiry
1.	Consent to Establish under Green Category	330015525HISCTE107853345	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	June 23, 2025	June 22, 2030

SECTION X: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

Material Contracts

6. Market Making Agreement dated July 21, 2025 between our Company, Promoter Selling Shareholder, Book Running Lead Manager and Market Maker.
7. Underwriting Agreement dated July 21, 2025 between our Company, Promoter Selling Shareholders and Underwriter.

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:

Name and Designation	Signature
Kunal Arya Managing Director DIN: 09241630	Sd/-

Date: July 31, 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:

Name and Designation	Signature
Niraj Arya Chairman & Whole Time Director DIN: 09241628	Sd/-

Date: July 31, 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:

Name and Designation	Signature
Deepak Arya Whole Time Director DIN: 09241629	Sd/-

Date: July 31, 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:

Name and Designation	Signature
Sayuri Arya Non - Executive Director DIN: 10942187	Sd/-

Date: July 31, 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:

Name and Designation	Signature
Sulabh Jain Independent Director DIN: 07739598	Sd/-

Date: July 31, 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:

Name and Designation	Signature
Meenakshi Jain Independent Director DIN: 10937510	Sd/-

Date: July 31, 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:

Name and Designation	Signature
Shubham Garg Chief Financial Officer	Sd/-

Date: July 31, 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:

Name and Designation	Signature
Priyanka Garg Company Secretary & Compliance officer M. No.: A49087	Sd/-

Date: July 31, 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:

Name and Designation	Signature
Niraj Arya Promoter Selling Shareholder	Sd/-

Date: July 31, 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:

Name and Designation	Signature
Kunal Arya Promoter Selling Shareholder	Sd/-

Date: July 31, 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:

Name and Designation	Signature
Deepak Arya Promoter Selling Shareholder	Sd/-

Date: July 31, 2025

Place: Hisar